

SENATE LEGISLATIVE TASK FORCE

TREASURE VALLEY TRANSPORTATION ISSUES

East Conference Room - J. R. Williams Building
Boise, Idaho
September 7, 2007

MINUTES

The meeting was called to order at 9 a.m. by **Chairman Senator John McGee**. Other members present were: Senators Brad Little, Stan Bastian and David Langhorst. Staff present were Maureen Ingram, Paul Headlee, Jeannine Wood and Rusti Horton.

Others in attendance were Lane Beattie, President and CEO, Salt Lake City Chamber of Commerce; Kathleen M. Lacey and Lyn Darrington, City of Boise; Martin Montgomery, Julie Pipal and Butch Ragsdale, Idaho Transportation Department; Courtney Washburn, Idaho Conservation League; Nancy Merrill, Mayor, City of Eagle; Tom Dale, Mayor, City of Nampa; Susan Bradley, National Federation of the Blind; Jerry Deckard, Capitol West; Matt Stoll, COMPASS; Kelli Fairless, Mark Carnopis and Gloria Parwold, Valley Regional Transit; Rachel Winer, Idaho Smart Growth; Jim Brooks, City of Eagle; Matt Ellsworth, Meridian; Senator Elliott Werk, District 17; Charlie Rountree, Meridian; Bob Bruce, Nampa Chamber of Commerce; Scott Peyron, Scott Peyron & Associates; Elfreda Higgins, Garden City; Benjamin Davenport, Evans Keane/M3; Stuart Davis and Erik Marrush, Idaho Association of Highway Districts; Representative John VanderWoude, District 21; Larry Hoffman, HDR Engineering; Dawn Hall, Division of Financial Management; Tom Ryder, J.R. Simplot Company; Joe Kunz, BCA; Representative Sue Chew, District 17; Jay Larsen, Office of Congressman Bill Sali; Josh Goyden, Conservation Voters for Idaho; Skip Smyser, Connolly & Smyser, Ltd.; Representative Phyllis King, District 18; Gerry Robbins, M3 Companies; Scott Ellsworth, CH2M Hill; Representative Raul Labrador, District 14; Dave Carlson, AAA of Idaho; Roy Eiguren, Valley Ride; Wilma Hansen Walp, Boise Chamber, Local Government and Idaho Power Company; Kent Just, Idaho Chamber Alliance; John Watts, Veritas Advisor, Chamber Alliance; Representative Nicole LeFavour, District 19; Representative Les Bock, District 16; General Darrell Manning and Monte McClure, Idaho Transportation Board; and Jim Farrel, AARP.

Chairman McGee explained the general focus of the committee, providing an overview of objectives and stating that there are obviously a number of tough decisions to be faced in Idaho and, in particular, the Treasure Valley area in regard to transportation needs. The chairman said that the primary goal of this task force, after studying the various complex issues of the present and future, is to come up with solid recommendations to help guide the many and diverse decisions needing to be resolved. Governor Otter has made it clear that Idaho is experiencing a huge shortfall in maintaining Idaho's infrastructure and a great deal of the focus is within the Treasure Valley as it remains the area of biggest concern and, undoubtedly, has the biggest problems.

Senator Langhorst added his comments as to what direction he would like to see the committee follow. He stressed the importance of a good and efficient public transit system and his desire for a bicameral approach and solution to the transportation problems facing the state. He would like to see the committee

come up with, at the end of its information-gathering meetings and deliberations, a viable plan to present no later than during the upcoming legislative session.

Senator Bastian said that, in his opinion, the Treasure Valley roadway system is already in an unacceptable situation. It impacts people and commerce. He feels that it is imperative to come up with additional solutions, whether they be additional revenue, or a new way of thinking, or local option taxing ability, or a combination of all of the above, and start the process as soon as possible to alleviate the problems.

Martin Montgomery, Acting Administrator, Division of Public Transportation, Idaho Transportation Department, gave a power point presentation regarding the status of rural and urban public transportation in Idaho insofar as current services provided, various funding methods – including matching fund requirements – rural versus urban services, ongoing projects, and future needs. He explained that the department’s role is primarily to administer federal transit grant programs and state funding.

In response to **Chairman McGee’s** inquiry, **Mr. Montgomery** said that matching grant moneys are actually fairly well provided but that more state money would help to generate more federal match moneys, especially for rural programs. One of the problems is that funding matches can be disproportionate although there are sometimes ways in which moneys can be moved to address immediate and more pressing needs. **Mr. Montgomery** noted that the city of Pocatello has what many consider to be an model transit system. He explained that part of the reason for its success is that the city, with great cooperation from its citizens, has always supported public transportation modes and has had a long-standing commitment to sufficiently fund the system.

Senator Langhorst asked **Mr. Montgomery** if the historical funding for the Treasure Valley has “flattened” out. **Mr. Montgomery** replied that he cannot identify a great deal of the change in federal funding to be attributed to any particular reason why the funding is now different. It appears that part of the change occurred when Boise’s population exceeded 200,000, thus implementing a different allocation of funding. [A copy of Mr. Montgomery’s presentation is available in the Legislative Services Office.]

Nancy Merrill, Mayor of the City of Eagle, complimented the committee for its dedication in trying to help solve the problems facing the valley and said that there are most likely many creative ways in which these problems can be addressed. The commuter rail system between Nampa and Boise seems to often be a focus of discussion and she stressed the need for any solutions proposed to accommodate the equally important needs of the other out-lying areas of the valley. “We cannot pave our way out of congestion.”

Mayor Merrill further stated that it became clear to her when studying other public transportation plans, such as that implemented in Salt Lake City, how important it is to include not only West Boise and the Nampa/Caldwell area but Eagle, Star, Middleton, Emmett, and other out-lying areas. “It is a system that we need to create in this valley so that in the future we can move from our cars to all types of transportation. We can do this if we all get collectively creative in our thinking. If we keep thinking of doing things the same way we have always done them, we are going to get the same results.”

Tom Dale, Mayor of the City of Nampa, agreed with **Mayor Merrill** and emphasized the importance of a consistent, stable funding source. Above all things, that has to happen before anything can move forward. He said that he feels the plans are basically in place – the funding is what is lacking at this point. Whether that be a local option taxing source or another source, the Legislature and the local government entities will have to go to the people and secure authority to implement the plans. He added that the philosophical thought has long been that “people in Idaho just are not ready to give up their cars – they are too tied to their cars and are not going to relinquish their independence.” He said that this is simply not a correct assumption any longer. He feels strongly that if the service is there, people will use it.

Matt Stoll, Executive Director, COMPASS (Community Planning Association of SW Idaho), addressed the committee regarding the role of COMPASS in the complexities of solving transportation problems within the Treasure Valley. He explained that COMPASS is a metropolitan planning organization and part of a joint effort with the Idaho Transportation Department for a six county region: Ada, Canyon, Payette, Elmore, Gem and Boise counties. He added that Owyhee county will most likely be added soon because of the population growth it is experiencing. He said that he would encourage the committee to address the needs of recreational areas and outlying areas, such as Middleton or Notus, along with the more commonly defined areas of need.

Mr. Stoll said that, insofar as trend growth, it is important to recognize what sort of transportation system is desired, particularly to meet the needs of Ada and Canyon counties. It is critical to keep in mind that the state loses federal moneys if the basic transportation roads are insufficient. Mr. Stoll added that, according to their poll studies, Idahoans feel it is important to preserve open spaces that are so much a part of Idaho and try to keep the growth within metropolitan areas.

The implications of implementing a viable transit system are many. Even a minimal effort could easily reduce by one million the amount of cars on the Treasure Valley’s major roadways, thus reducing pollution and enhancing air quality – critically important areas of concern in attracting new business to the valley.

Mr. Stoll further stated that transportation targets for levels of service are measured in alphabetical rating terms. For instance, ratings listed from “A” to “C” are considered desirable, “D” is categorized at “so-so,” “E” is deemed as “barely acceptable” and the valley’s current rating is “F” – meaning traffic flow is erratic, congestion is dense, traffic speeds drop to very low levels, and the corridors are considered over capacity. Obviously, Idaho has reached the point where other, more viable, options are definitely needed.

The current transit system offers a fair amount of coverage in the Boise area and reasonably adequate services exist in the Nampa-Caldwell area. However, for most of the region, public transportation is not available nor accessible. Limited travel needs are often met by specific groups, such as senior vans that take people to meal sites or take low-income people to medical services. There is no bus service for the general population in those areas.

Mr. Stoll further commented that some have voiced concerns that transit interests are trying to force their mode of transportation on people. However, in fact, the reality is that, for many residents of the valley, transit is not even a choice to be made as it simply does not exist.

There are several key areas that COMPASS puts in the equation as needing immediate attention. These include a Kuna-Mora corridor, a north Eagle foothills route, a Purple Sage to Beacon Light Road extension, and Highway 16 improvements including the extension across the Boise River to the freeway. He said that it has been estimated that the valley's commuters can collectively incur huge delays of up to 140,000 hours without adequate transportation access.

Mr. Stoll cited typical examples of taxing options, such as increasing:

1. Unit tax on fuel
2. Sales taxes on fuel
3. Vehicle registration fees
4. Sales taxes
5. Impact fees on new homes
6. Income tax surcharge

He added that any one of these sources, excepting impact fees, could raise the entire \$1.7 billion needed to bring the infrastructure up to a desirable level. Another source of funding would be needed for operations and maintenance of public transportation expenses and it is also possible that more than one source could be tapped.

In response to **Senator Little's** inquiry, **Mr. Stoll** replied that COMPASS is not advocating any particular method or means of addressing the transportation deficits. Its goal has been to review traditional funding methods and find what other options are not only needed, but viable, to pursue.

In conclusion, **Mr. Stoll** said that implementation spells out the need for the following particulars:

1. Tie funding priorities to growth areas and alternative transportation
2. Seek new funds for transportation needs
3. Change growth patterns and design
4. Monitor land use and transportation performance
5. Work with *Blueprint for Good Growth*: coordinate land use and transportation
6. Study density, design, funding, and other elements
7. Realize that the will to change is a major question

Chairman McGee asked if the recent forest fires in Idaho will further negatively impact air quality standards. **Mr. Stoll** responded that it is entirely possible that Idaho might soon be designated as "not attaining desirable levels of air quality on a frequent basis, otherwise referred to as 'nonattainment'." Labeled at this status level, Idaho will certainly face a negative effect, not only insofar as health concerns but business and industry as well. It can cost businesses a significant amount of money to keep a region in compliance with air quality standards. Plus, a lower, less desirable, rating will impact Idaho's ability to attract new businesses. When businesses talk about relocating, there are three major questions they ask: (1) How is the air quality; (2) How are the road systems; and (3) What kind of transit system is in place. All three of these items are related and equally affect the quality of life.

In further response to **Chairman McGee's** inquiry, **Mr. Stoll** explained that the term "nonattainment" is defined as a violation of a health-based standard on a frequent basis for not only its potential to create

health concerns for at-risk citizens – people with asthma, emphysema, the elderly and children – but also the health of not-at-risk citizens.

Mr. Stoll said our state highway distribution account has been flat for over six years. Nearly 60% of construction funds for local roads are from property taxes. The same challenge that has faced the Boise urbanized area will now be faced by the Nampa urbanized area inasmuch as they can no longer use federal funding to operate and maintain transit systems, but will need some sort of local funding. Federal funds are 5% of local road agencies' budgets, and the trust fund will be bankrupt by 2010.

Mr. Stoll further advised the committee that Idaho is not the only state facing rapid increases in construction costs. Washington, California, Colorado, Oregon, South Dakota and Utah, to name a few, also face these same increases in construction costs. Comparing 1996 to 2006 (1996 was the last time the gas tax was increased), there has been a \$148.8 million reduction in buying power. Since 2003, there have been 10% to 20% increases each year in critical areas such as steel, asphalt, and concrete. Rights-of-way costs in the Treasure Valley also escalated rapidly, with raw land in rural areas of Ada and Canyon counties going for upwards of \$150,000 per acre. While these costs have moderated somewhat since 2006, the cost of land is dramatically higher than 10 years ago, and right-of-way costs are nearing, or have exceeded, construction costs for some projects. There are more vehicles, people, and congestion, but fewer real dollars to meet the need. Without a dedicated revenue stream flow, leveraging opportunities are lost.

Mr. Stoll said a plan is not necessarily a solution but, rather, a guidebook. “Where do we want to be?” “How might we get there?” “What are the opportunities and costs?” He said implementing a plan is essential if it is not to end up as another dusty document on a shelf. COMPASS is a cooperative organization of cities, counties, highway districts, a transit authority, the Idaho Transportation Department, and others. These entities are the ones that approve developments, build roads, and put buses into service. Between now and the next update in 2010, Mr. Stoll said it is imperative to focus putting efforts on visions and goals into effect, including the corridors and transit services as described earlier.

Lane Beattie, President and CEO, Salt Lake City Chamber, and a former state senator in the state of Utah, spoke to the committee about the roadways and public transit system in place in Salt Lake City. He acknowledged that it is always difficult for someone to come from out of state and talk about what they think are the best answers. However, there are many similarities between the two areas and there are certain factors that remain consistent no matter the location.

Mr. Beattie reported on the success his city has experienced in supporting its transit development. He attributed a great deal of this success to the involvement and investment that the business community provided. The biggest portion of Utah's population resides within the greater Salt Lake area. This area is unique in its geography from most other metropolitan areas in that it is restricted to linear growth patterns, as opposed to outward growth, because of its steep slopes, water and public lands.

Adding to the immediate need for viable transportation is that fact that the greater Salt Lake area is growing at two and one-half times the national rate due to its very strong economy and its unique demographic profile. Because of this growth, and despite major improvements, Salt Lake City is still facing a transportation crisis because the need is growing faster than the ability to meet it. Independent

experts have confirmed that the amount of time that drivers will be stuck in traffic will triple in the next 25 years. This congestion also poses a significant threat to future economic vitality as it increases the costs of doing business, reduces productivity, and seriously threatens livability.

Mr. Beattie said that he would like to switch gears a bit at this point and talk about his city's transit success. He said he likens it to a "RAIL-volution" in that a record number of Utahans are using the transits, including buses, light rail, paratransits and vanpools. Ridership levels have not seen these numbers since World War II. Light rail ridership has more than doubled the originally-projected numbers, from that of approximately 21,000 daily riders to more than 55,000 riders each weekday. All of this is, naturally, having a positive impact on mobility and congestion issues.

Because of the passage of a referendum and the program's success, the city is now poised to add four more light rail lines and a commuter rail from Ogden to Provo. **Mr. Beattie** said that the referendum passage was, in itself, a major accomplishment. Utah is arguably one of the country's most conservative of states and yet its citizens voted to raise taxes on themselves even in a year of booming economy and surplus revenue. He said that it speaks to the understanding and awareness the people have when presented with a very real, very serious problem and that problem is presented to them with a business-like approach and solution. The successful proposition to raise the sales tax and, in one county even property tax, passed by more than a two-thirds vote.

In an analysis of why the proposition did, in fact, receive such positive public support, **Mr. Beattie** said that a combination of factors most likely contributed to its passage, not the least of which was the public awareness of the outstanding management and track record of the transit system.

As a result of Utah's experience, **Mr. Beattie** said that he can relate five observations, or guidelines, as to how to effectively influence public will on transit initiatives:

- (1) Be Balanced: The best policy and public communications strategy is to acknowledge and advocate the very real needs in both modes of transportation. This includes letting go of a "roads-only" mindset, a mentality that misses the trends happening right before our eyes and, similarly, letting go of a "transit-only" mentality as it is obvious that people are never going to completely let go of the freedom and comfort of their own automobiles.
- (2) Do Your Homework: It is critically important to have credible evidence from national transportation experts to confirm what they already believed to be true, that there is an economic imperative to invest in transportation now or accept an underperforming and less competitive economy in the future.
- (3) Invest in Public Communication: It has been said that just about every public policy battle is, in large part, a communications battle – nearly every loss is a failure of communications. There are several components of a good communication strategy, including: clear objectives; identification of the right audience; development of the right message; speaking at the right moment; and use of the right communication channels, i.e., radio, TV, newspaper, internet. [At this time, **Mr. Beattie** played a sample DVD of some of the ads used in Utah to promote the proposition, a copy of which is on file in the Legislative Services Office.]

- (4) Collaboration: Simply stated, “We always achieve more when we work together.” The common problem, combined with several components, contributed to a successful collaboration.
- (5) Never Give Up: Looking back, it is almost unimaginable how the proposition was passed. The Legislature had to first persuade the Governor to call a special session then, from the moment the permission was granted to place the transit referendum on the ballot, there were just six weeks until election day - six weeks to run a public information campaign on why people should vote themselves a tax increase. It seemed insurmountable but the advocacy prevailed and a big reason for this is that they never gave up.

In conclusion, **Mr. Beattie** thanked the committee for inviting him and said that he has high hopes that the committee will satisfy the goal shared by all, that of making the right transportation choices to sustain a strong economy now and for years to come.

In response to inquiry, **Mr. Beattie** explained the Chamber’s influence along with the involvement of big business to reach a successful conclusion. He said that several large corporations, including the L.D.S. Church (the largest corporation in the state with 50% of its downtown employees riding the tracks on a daily basis) were all very major supporters fully cognizant of the importance of a viable transit system to their businesses and fully committed to successful passage of the proposition.

Chairman McGee asked **Mr. Beattie** if he believes that there are similarities between Idaho and Utah in regard to the nonattainment issues. **Mr. Beattie** replied in the affirmative, adding that air quality is an issue of great concern; stalled traffic creates the worst kind of pollution. Other segments of the population who greatly rely upon a transit system are those who have special needs, cannot drive any longer, or don’t feel comfortable driving.

Senator Langhorst inquired as to what **Mr. Beattie** recommends for the early stages of implementing this process, how did they get started in Utah, and how can Idaho “sell” this. **Mr. Beattie** replied that the early stages of this process involve enabling legislation and determining who will be the “players.” He stressed the importance of having legislative leadership on board. He told the committee that there were, indeed, more than a few naysayers to the Utah project proposal who countered that there was already a light rail system in place, the plan would prove to be a dinosaur, and no one would use the system. He reiterated the importance of applying basic business principles to the solution. Businesses do not run the same as government. The reality is that legislative government throughout the country is reactive in nature and always has been. A business-like approach, looking toward the future, can help legislators understand that a project such as this makes absolute economic sense. It is further important to stress that the congestion will be here in a matter of years, not decades, and will bring with it enormous negative costs. It is simply a business issue – you either respond today or you pay much more tomorrow. A state’s capacity to handle infinitely more people is enhanced by an adequate transportation system – “If you build it, they will come.”

In response to **Senator Bastian’s** inquiry, **Mr. Beattie** suggested using NCSL and CSG types of association information to help the planning process. There will be tough decisions to make on a legislative level and these types of organizations can often help supply necessary guidelines.

Kelli Fairless, Executive Director of Valley Regional Transit, spoke to the committee as to an

overview of the transportation projects and a summary of funding sources. She distributed copies of a map illustrating the current six-year plan. [A copy of the map is on file in the Legislative Services Office.] **Ms. Fairless** explained that the planned design system has been created to meet rural as well as urban needs. She further explained the rights of way acquisition process that COMPASS is currently working on and the study on rail corridor analysis.

Chairman McGee announced that the next meeting of the Senate Treasure Valley Transportation Issues Task Force will be held October 15, 2007. There being no further business, the meeting adjourned at 2:35 p.m.