

MINUTES
MICHIGAN STATE TRANSPORTATION COMMISSION MEETING
February 26, 2009
Lansing, Michigan

Meeting noticed in accordance with Open Meetings Act, Public Act 267 of 1976.

Present: Ted B. Wahby, Chair
 Linda Miller Atkinson, Vice Chair
 Maureen Miller Brosnan, Commissioner
 Jerrold M. Jung, Commissioner
 James S. Scalici, Commissioner

Also Present: Kirk T. Steudle, Director
 Frank E. Kelley, Commission Advisor
 Marneta Griffin, Commission Executive Assistant
 Jerry Jones, Commission Auditor, Office of Commission Audit
 James Shell, Attorney General's Office, Transportation Division
 John Friend, Bureau Director, Highway Delivery
 John Polasek, Bureau Director, Highway Development
 Myron Frierson, Bureau Director, Finance and Administration
 Susan Mortel, Bureau Director, Transportation Planning
 Rob Abent, Bureau Director, Aeronautics and Freight Services
 Bill Shreck, Director, Office of Communications
 Tim Hoeffner, Administrator, Intermodal Policy
 Sharon Edgar, Administrator, Bureau of Passenger Transportation
 Melvin Williams, Administrator, Freight Services and Safety Division
 Mike Kapp, Administrator, Office of Economic Development
 Greg Johnson, Metro Region Engineer
 Roger Safford, Grand Region Engineer

Excused: Steven K. Girard, Commissioner

A list of those people who attended the meeting is attached to the official minutes.

Chair Wahby called the meeting to order at 9:05 a.m. in the MDOT Bureau of Aeronautics Auditorium, in Lansing, Michigan.

Chair Wahby asked for a moment of silence in recognition of Tom Fudaly, Engineering and Operations Manager for the FHWA Michigan Division, who passed away unexpectedly on February 20, 2009.

Chair Wahby then presented John Polasek with a framed letter of recognition from the Commission for his retirement from MDOT after 38 years of outstanding public service with the State of Michigan.

Mr. Polasek thanked the Commission for the recognition and the great respect they have shown the MDOT staff.

I. **COMMISSION BUSINESS**

Commission Minutes

Chair Wahby entertained a motion for approval of the minutes from the State Transportation Commission meeting of January 30, 2009.

Moved by Commissioner Brosnan, with support from Commissioner Scalici, to approve the minutes of the Commission meeting of January 30, 2009. Motion carried.

II. **DIRECTOR'S REPORT – DIRECTOR KIRK STEUDLE**

Director Steudle announced the retirement of Larry Tibbits, Chief Operations Officer, and his successor, Greg Johnson, current Metro Region Engineer. Mr. Tibbits will be leaving MDOT at the end of March after 39+ years of state service.

Director Steudle's report focused on:

American Recovery and Reinvestment Act of 2009 (ARRA)

On February 17, President Obama signed a new economic recovery package for the nation's economy and monies for transportation infrastructure are included in the package. While this is welcome news, this issue is separate from the transportation funding crisis that confronts us today. The package is equal to the amount of transportation funding that Michigan receives from the federal government for one year. This is a one-time package that addresses new road construction. These funds are not used to sustain day to day funding of Michigan's transportation services such as maintenance. Any Economic Recovery package passed by congress will not cure the ills of Michigan's transportation funding model. Michigan needs to design a funding model that will enable it to continue to build and maintain roads and bridges as well as carry out its other multi-modal responsibilities in the long term benefiting Michigan's economy and quality of life. As the Transportation Funding Task Force has observed, Michigan must at least double current investment in transportation, if Michigan's transportation system is to continue to serve the state adequately.

There was a recognition that we needed to put people to work. While this is an investment in infrastructure, it really is about job creation and putting people back to work. There are pieces within this legislation that do exactly that. Unemployment benefits should start hitting by the end of next week—an additional \$25 per week. Payroll taxes will be coming up soon. We will get a little bit back each week as opposed to one \$600 check. The hope is that this money will be reinvested by people going out and buying something made in America. There is a very aggressive timetable for implementation of the infrastructure investment. There are no match requirements, no specific earmarks, and the Act emphasizes transparency and accountability.

The final version that came out of the Conference Committee breakdowns as follows: surface transportation discretionary grants, \$1.5 billion; aviation facilities and equipment, \$200 million; airport improvement grants, \$1.1 billion; highways and bridges, \$27.5 billion; intercity passenger rail and high-speed rail corridors, \$8 billion; Amtrak capital grants, \$1.3 billion; transit formula grants, \$6.9 billion; Fixed Guideway Program, \$750 million; and, capital investment grants, \$750 million for a grand total of \$48 billion.

The highway projects must be federal aid-eligible (they have to be on the federal aid-eligible system—typically the interstate system, US routes, M routes, county primaries and city major streets—about 40,000 miles of roadways out of 120,000 in Michigan). They have to be approved through the federal aid process (SEMCOG) and abide by the “use it or lose it” portion within this. This means that 50% must be obligated (advertised) within 120 days (sub-allocated funds are excluded), the remaining 50% to be obligated within 1 year or funds not obligated are redistributed to other states. MDOT prepared to use funds from other states that cannot obligate by the deadline.

Chair Wahby asked, on the local projects where communities and counties submit their wish list, if this goes to SEMCOG.

Director Steudle replied correct.

Chair Wahby asked if they had the same window of time and if all the same things applied to them.

Director Steudle replied no. They do not have the 120 day requirement. At one point in the bill they did, but in the final discussion they did not. They have a deadline that the money has to be obligated within a year.

Chair Wahby asked how much money is being set aside for those types of projects (on the local level).

Director Steudle replied that it is about \$230 million.

Chair Wahby stated that, from their discussion earlier that morning, none of this goes through Act 51—it’s a separate entity in its own.

Director Steudle replied correct. They have to be a federal aid-eligible road. Act 51 money can be used anywhere on the 120,000 miles for anything from picking up trash, to mowing, to capital reinvestments and this work has to be capital projects. You cannot use it for filling potholes or mowing the grass.

Priorities for project selection vary depending on the program, but include: can we get this out within 120 days, timely completion (within 2-3 years), located in economically distressed areas, safety (projects to continue to enhance safety efforts), generation of energy savings (reduce congestion and emissions) and multi-modal benefits.

All of the existing federal requirements still apply: environmental requirements, federal planning process working through MPO or Rural Task Force, contracting and bidding requirements, permitting requirements, DBE requirements, “Buy America” and domestic buying provisions, and prevailing wage requirements.

Chair Wahby stated that our past practice, under the Governor’s guidelines, has been preservation, and asked if this program allows for any new roads, or are any being considered.

Director Steudle responded that the driving focus was fixing first and preserving what we have. Frankly, what is driving a lot of this is the 120 day requirement because you have to have things that are shovel ready. If you have just thought about building a new road somewhere, there's no way it'll ever be done. They have to be projects that we've got all the environmental work done, some of the preliminary design done that we can move into the construction phase right away. There are 4 projects that have some widening on them, which we would consider capacity, but there aren't any really new roads going through cornfields.

Chair Wahby clarified that he meant like adding a lane.

Director Steudle replied that there are these 4 projects that deal with that.

MDOT is positioned to use all of our available funds (about \$630 million), is committed to ensure local agencies are successful, and is prepared to spend other states' unused stimulus dollars.

MDOT developed a \$732 million highway project candidate list which includes: \$508 million for preservation, \$155 million for expansion, and \$69 million for green investments. The list is \$100 million more than we expected, so we will be ready for additional funding if it becomes available. The investments are estimated to improve approximately 832 lane miles of roadways and approximately 90 bridges. This includes road reconstruction or rehabilitation projects totaling 360 lane miles and road preventive maintenance totaling 420 lane miles. It also includes capacity expansion totaling 42 lane miles and 10 miles of enhancement projects. More than \$300 million will be obligated within 120 days.

The investment in the road reconstruction/rehabilitation/preventive maintenance program totals \$428 million. As a follow-up to Chairman Wahby's question from an earlier meeting where he asked what this would do to our pavement condition and how is it going to help us moving forward, we anticipate that this influx of federal recovery money will help keep the system condition flat. This ties in with what the Citizen's Advisory Committee came back with. The TF2 reported that we really need to invest \$6 billion per year in order to have a good system so this is an additional \$600 million, and if you add it to our current budget that puts us at about \$4.2 billion. We are still a ways away from making a dent in what the TF2 said. The MDOT pavement goal is expected to decline in 2011 due to the inability to match federal aid (declining state revenues for match).

The investment in the bridge preservation program totals \$76 million in bridge reconstruction/rehabilitation/preventive maintenance. Ninety bridges will be invested in, of which 36 are structurally deficient. Bridge conditions will improve as a result of these investments, making progress toward meeting the combined bridge condition goal (freeway/non-freeway) for FY 2009.

The \$69 million green project investments (35 projects) include ITS, carpool lots, non-motorized facilities (bike paths), enhancements (streetscapes), and rest area improvements.

Expansion projects (4 projects are located in Bay, Grand, Metro, and Southwest regions) have \$155 million in investments (\$101 million for reconstruction or rehabilitation of existing roads related to expansion projects).

Michigan will receive nearly \$1 billion in formula funding of which \$135 million is for urban and rural transit, and \$850 million for roads, bridges and highways, and is estimated to create about 35,000 jobs. Of the \$850 million, \$25 million must be set aside, within the regulation, for transportation enhancement projects and \$250 million must be spent in urban areas.

There will be \$12.1 billion available nationwide through discretionary grants. This breaks down to: \$1.3 billion for airports, \$1.5 billion in National Surface Transportation discretionary program for projects completed in 3 years, \$750 million for capital investment grants, \$8 billion for intercity passenger rail and high speed rail, and \$1.3 billion to Amtrak for track and equipment improvements. There is no way to know now how much of those funds will come to Michigan, or how many jobs they will create, but we will work to obtain every dollar possible.

MDOT shared 3 lists of projects with MPOs on February 17th which included a list of MDOT's best candidates for implementation, a list of local transportation projects submitted to the Governor's web site, and a list of illustrative MDOT projects that could be eligible for funds redistributed from other states after the 120-day deadline. The Governor's accountability web site is www.michigan.gov/recovery; the President's web site is www.recovery.gov.

Chair Wahby asked, with the tremendous volume of work that is going to happen in a short period of time, if the department would be adequately staffed in order to maintain quality work.

Director Steudle replied that all the federal requirements are still in place; so all the federal materials and testing requirements are still in place. Our feet are still going to be held to the fire by FHWA to make sure that all of the testing is complete. Right now we do about 30% of our construction inspection by private engineering firms. There is a publicly employed professional engineer that oversees the construction projects with our MDOT staff, but also oversees additional projects that the consultant community is overseeing as well. They are under the same requirements—they have to make sure that the testing is done, that all of their testers are certified that they know what they're doing. We will be doing the selections of who goes to work on those projects based on their qualifications to make sure that we are not in a situation 5 years from now where we spent a bunch of money fast, but it looks like we spent a bunch of money fast. This really is about building quality into the product and into the project as we go.

Chair Wahby asked if the existing guidelines of warranties would be applied to all these projects.

Director Steudle replied absolutely. All of our warranties that we have in place now will be on those same recovery package projects. I think we have the most aggressive

warranties in the country.

Commissioner Atkinson asked if the presentation would be available to the Commissioners.

Director Steudle answered that he will make sure they all get a copy of it. It is also available on the public web site.

Commissioner Atkinson asked for further expansion of the earlier statement relating to MDOT having plans to be prepared to seize the money that other states don't get.

Director Steudle replied that it came from the use it or lose it clause (the \$100 million built in). We have projects that could be advanced quickly; the designs will be done, they'll have been through the Metropolitan Planning Organization process so if there is money, or when there is money, that some other state couldn't obligate in that 120 days, we will be in a position to use it.

Commissioner Atkinson clarified that we are already looking ahead down that road.

Director Steudle responded yes.

Commissioner Scalici asked for clarification on the Buy American clause.

Director Steudle replied that every Federal Aid contract has a Buy American clause so that you can't buy products from a foreign country—you have to buy American.

Commissioner Scalici asked if it would also include equipment—will he see more American made equipment on-sight versus foreign when he drives by a worksite.

Director Steudle asked a representative from FHWA in the audience if this could be done and relayed that the answer was no. In Michigan you will probably not see a lot of that but if you get to some other states you will probably see foreign brand pickups as inspector trucks and contractor trucks.

Commissioner Scalici commented that it frustrates him when you see large equipment like that.

Director Steudle added that the President went over to Caterpillar in Indiana with the Secretary of Transportation and identified a company that use to have 39,000 workers but now only have 18,000. There has got to be some way that we can get to that—that's what they want to encourage. We want to put more people back to work in the Caterpillar plant but the Buy American provision is for materials itself.

Commissioner Jung commented on Caterpillars' position on the Buy American provision. Caterpillar is a large exporter and they are concerned that if the provision catches on, that we will start to see worldwide trade restrictions that would actually hurt Caterpillar's business and cost jobs in the United States because they are such a large exporter. Another concern they have is buy American steel. If they have to pay more for steel,

obviously their products are going to be less competitive so Caterpillars position is one of free trade.

No other questions were forthcoming.

Winter Maintenance Operations

Continued statewide heavy snowfall produced October-January winter maintenance expenditures at 40% higher than for the same period last year. Last month expenditures were 60% higher. The National Weather Service data indicates that most cities have exceeded their average year-to-date snowfall and many have exceeded their average seasonal totals. In January, first quarter expenditures were reported to be \$37 million. Based on winter expenditures of \$68 million through January 31st, winter could cost \$122 million (if winter costs are similar to 2008 for February through May) or \$116 million (if a more conservative estimate is made using a 3 year average for the remainder of winter).

Based on projections through January 31st, an estimated shortfall of \$31 million could occur. Last month a \$32 million shortfall was projected. Fuel expenditures for the first four months are \$300,000 less than the same period in 2008. The cost per gallon has decreased by 20% but actual fuel usage has increased by 15%. Salt use statewide has increased by 9% over 2008 to almost 478,000 tons year-to-date. Last month usage was 32.5% over the 300,000 tons used. Sand use has increased by 88% over 2008 to about 127,000 tons year-to-date. Last month usage was 156% over with 67,000 tons used.

Through January 31, 2009, most cities have exceeded year-to-date snowfall amounts and many have already surpassed their average annual snowfall amounts. Snowfall amounts have been heavy in the lake effect areas and the number of storm events is above normal. Some areas of the state have experienced back-to-back storms making the events almost continuous, for example, the Keweenaw had 230" of snow, Marquette 155", Gaylord 140" and Muskegon 125". As of January 31st, the year-to-date expenditures totaled almost \$68 million compared to the average of \$48 million. The October-January costs are about 40% higher than the same period for last year. All regions are reporting expenditures above their five year average.

Chair Wahby asked if, of the stimulus money we're getting and some of the projects being pulled forward, gives us the opportunity to free up more maintenance money.

Director Steudle replied that it doesn't because the federal law requires that this stimulus money not substitute for the money that is already going on; it's got to be a supplement on top of it. The money that was already going still continues to go out so it's already allocated and doesn't free up any other M money anywhere because these are additional projects that are going to get lumped on top. It certainly could in an out-year when we pull a project forward and we haven't put something back in, but that's in 2011 where we have the huge problem where we're \$100 million shy.

No other questions were forthcoming.

III. **OVERSIGHT**

Commission Agreements (Exhibit A) – Myron Frierson

Mr. Frierson presented information on 20 agreements. Pending any questions, Mr. Frierson asked for approval of Exhibit A; none were forthcoming.

Chair Wahby entertained a motion. Motion was made by Commissioner Atkinson and supported by Commissioner Brosnan to approve Exhibit A. Motion carried on a unanimous voice vote.

Bid Letting Pre-Approvals (Exhibit A-1) – Myron Frierson

Mr. Frierson announced that Item #18 (Passenger Transportation-Section 5309 Program...between MDOT and MTA...) is being postponed until the April letting; the department wishes to allow more advertising time for this project. He then provided a narrative of activities for the February 6, 2009 letting: as of September 15, 2008, it was estimated that 275 State projects with construction cost estimates totaling \$592.6 million would be let during the 2009 fiscal year. Through February 2009, 110 State projects with engineer's estimates of \$329.9 million were let, representing 55.7% of the total amount projected to be let this fiscal year. In comparison, through February of 2008, 177 State projects with total engineer's estimates of \$302.8 million were let, representing 43.5% of the fiscal year 2008 projection. Leading up to and including the February letting for fiscal year 2009, 78.2% of the projected construction cost estimate scheduled for this period was let. In comparison for this same period through February 2008, 100.7% of the projected construction cost estimate was let. (The reason that the number is 78.2% is that in anticipation of the stimulus package approximately \$170 million in projects was taken out of the February letting to maintain funding flexibility because the final requirements for the stimulus package were not known. Some of those projects will be added back in a letting in March and the remaining balance added back into the letting schedule in April.)

For the March 6, 2009, bid letting, 53 State projects with engineer's estimates totaling \$68.3 million are scheduled to be let. Of the 53 State projects, 23 have warranties with an engineer's estimate totaling \$38.6 million. There are 20 Local projects scheduled to let March 6, 2009, for a total engineer's estimate of \$22.5 million. There are no Local projects included in the Jobs Today program for this letting. Two Aeronautics projects are also scheduled to let March 6, with an engineer's estimate of \$0.7 million.

Pending any questions, Mr. Frierson asked for approval of the March bid lettings in Exhibit A-1; none were forthcoming.

Chair Wahby entertained a motion. Motion was made by Commissioner Brosnan and supported by Commissioner Jung to approve the March bid lettings. Motion carried on a unanimous voice vote.

Letting Exceptions Agenda (Exhibit A-2) – John Polasek

Mr. Polasek provided information on 5 State projects and 1 Local project that are over/under the engineers' estimate and accompanied by justification memos. Pending any questions, Mr. Polasek asked for approval of Exhibit A-2.

Commissioner Jung asked, regarding State project item #5 (project #ST 84917-87828A; dynamic message sign procurement...) where RMD Holdings, Ltd. was the low bidder, if this was a Michigan contractor.

Mr. Frierson responded that they were not a Michigan contractor.

Commissioner Jung stated that he has been approached by some of the Michigan contractors to see if there is anything that can be done to favor their contracts over out-of-state bidders.

Mr. Frierson responded that since the contract is funded by federal funds, federal regulations prohibit us from having a geographical preference.

No other questions were forthcoming.

Chair Wahby entertained a motion. Motion was made by Commissioner Atkinson and supported by Commissioner Brosnan to approve Exhibit A-2. Motion carried on a unanimous voice vote.

Mr. Polasek announced that Mark Van Port Fleet will be Acting Highway Development Bureau Director until the permanent replacement is found.

Contract Adjustments (Exhibit B) – John Friend

Mr. Friend announced that MDOT Extra Item #2009-034 (structure replacement on M-153 (Ford Road) over Fellows Creek, Wayne County) is being withdrawn until the department can meet with project staff for further discussion regarding the extra cost. He then provided information for the remaining 4 Extra/1 Overrun MDOT and 2 Extra Local projects. Pending any questions, Mr. Friend asked for approval of all items in Exhibit B.

Commissioner Brosnan asked for further explanation on the withdrawal of Extra Item 2009-034.

Mr. Friend responded that the item was asked to be withdrawn by the Deputy Region Engineer, Bob Ranck, who expressed some concern with the calculations associated with the time extension as well as adjustments paid for HMA and concrete work items.

Chair Wahby entertained a motion. Motion was made by Commissioner Brosnan and supported by Commissioner Scalici to approve Exhibit B **with MDOT Extra Item #2009-034 withdrawn**. Motion carried on a unanimous voice vote.

Six Month Financial Audit Follow-up (Exhibit C) – Jerry Jones

Exhibit C is our Six Month Follow-Up Report on Financial and Compliance audits of contract projects that have been outstanding over 120 days since being issued. This report covers 10 audits, with approximately \$440,000 in net recommended adjustments. As the report indicates, the department is working with the audited entities and our office, to close these audits out.

Pending any questions Mr. Jones recommended that the Commission accept this report. With no questions forthcoming, he then called on Commissioner Brosnan for her response.

Commissioner Brosnan stated that she has reviewed the report and discussed it with the Commission Auditor. They have also had an opportunity to discuss the report in detail with the Director and the Chairman. As the report indicates, there are 10 outstanding reports and while that is not unusual that we have a number of these, in this case there were a number of audits that appeared to be sitting beyond their response deadline. She talked to the Commission Auditor about perhaps a different/new method of alerting the department head when there appears to be no response to the audits. Since this will be put into place she moved that the Commission accept the report.

Motion was made by Commissioner Brosnan and supported by Commissioner Atkinson to approve Exhibit C. Motion carried on a unanimous voice vote.

Six Month Internal Audit Follow-up (Exhibit D) – Jerry Jones

Exhibit D is our Six Month Follow-Up Report on outstanding Internal Audits and the status of the department's actions to implement the recommendations. This report reflects the status of reports with open recommendations as of February 9, 2009. The department has now received FHWA's approval of a one-year pilot of the department's low bid pilot study proposal.

Pending any questions Mr. Jones recommended that the Commission accept this report. With no questions forthcoming, he then called on Commissioner Brosnan for her response.

Commissioner Brosnan stated that she has reviewed the report with the Commission Auditor. They have also had an opportunity to discuss the report in detail with the Director and the Chairman. This review has been in front the Commission a number of times but is important to us. As a follow-up to her discussion with the Commission Auditor she received a great two-page report on the actions taken by the department so far. Most of the discussion centered on evaluating the pre-qualification process and alternative methods. The recent delay in moving this recommendation along came when no one submitted a response to the department's rfp. The department has re-issued the rfp and has committed to following up with the firms that responded to the request for information to find out why there was no original response and prompt them to respond this time. This will be before the Commission again, we can continue to monitor its progress and therefore recommend that the Commission accept the report.

Motion was made by Commissioner Brosnan and supported by Commissioner Jung to approve Exhibit D. Motion carried on a unanimous voice vote.

IV. **PRESENTATIONS**

Final 2009-2013 Five Year Transportation Program – Denise Jackson, Administrator, Statewide Planning

Ms. Jackson presented a brief overview of the changes to the Program since the January meeting.

More information is known about the American Reinvestment and Recovery Act (ARRA) and therefore the 5YP provides more details about it and how MDOT anticipates carrying out the plan for Highways, Passenger Transportation, Aviation, and Rail Freight. The 5YP does not include the specific projects but talks to the formulas and project selection processes. We reviewed our federal revenue assumptions and we also took advantage of some bond restructuring that freed up state monies to match federal aid. We will have the ability to match federal aid in 2010. The reduced funding strategy begins in 2011. The original reduction strategy called for a \$400 million annual reduction over 4 years (2010-2013). The new reduction strategy calls for a \$530 million annual reduction over 3 years (2011-2013).

With the ARRA we are anticipating \$630 million in revenue to the state trunkline program (highway side) in 2009. The primary focus is on preservation to sustain pavement and bridge conditions. We are emphasizing safety and system operations, and looking at increased employment and training opportunities.

Because of the potential loss in federal aid and it being spread now over 3 years rather than 4 years, we are going to have some significant reductions in our investment strategy. When you look at pavement, we are going from a fully funded program of about \$440 million annually to about \$197 million annually. When you look at bridges, we are going from a fully funded program of about \$200 million annually to about \$85 million annually. The ARRA funding increase enables pavement condition to be sustained very near to the combined goal of 90% good through 2010; however pavement condition begins to fall quite dramatically beyond 2010. The ARRA funding increase enables bridge condition to be sustained at approximately 91% good through 2017 with the current strategy; however bridge condition begins to fall quite dramatically beyond 2010 with the reduced strategy.

The full 5 year program invests \$50 million annually in the capacity improvement program; however the new reduced strategy cuts investment down to \$11 million annually. The fully funded program invests \$13 million annually in ITS program; however the new reduced strategy cuts investment down to \$5 million annually. The fully funded program invests \$66 million annually in the safety program; however with the new reduced strategy investment is reduced to \$35 million annually. The reason for this is that a cap was placed on how much the safety program would be reduced.

MDOT's Highway Program continues to provide economic benefit to the state; however those economic benefits decrease if the reduced strategy is implemented. Approximately 15,100 jobs are supported annually with the implementation of the current full strategy. Without a state revenue package, a reduced program will have to be implemented. A smaller program will mean a reduction in employment in the road construction industry

(and supporting industries) of more than 30% in a time when Michigan already suffers from high unemployment. Only 6,700 jobs are supported annually by the reduced strategy from 2011-2013.

We have updated the 5YP document with information related to the federal economic recovery plan and updated the investment strategy to reflect the ability to match federal aid in 2010. Pending any questions, Ms. Jackson asked for approval of the 2009-2013 Five Year Transportation Program to meet the Appropriations Bill requirement by presenting the Program to the legislature by March 1st.

No questions were forthcoming.

Chair Wahby entertained a motion for the approval of the 2009-2013 Five Year Transportation Program. Motion was made by Commissioner Brosnan and supported by Commissioner Scalici to approve the Program.

Tribal Coordination at MDOT in 2008 – Stuart Lindsay, MDOT Tribal Affairs Coordinator

In partnership with a planning committee of several tribal governments, and in cooperation with FHWA, BIA, and the Tribal Technical Assistance Program at Michigan Technological University, MDOT participated in a Michigan Intergovernmental Transportation meeting in October 2008. They attempted to focus on some of the core day-to-day activities that everyone is involved in, i.e., property acquisition issues, construction permits, access permits, utility permits. MDOT is interested in having a fairly regular kind of conclave where they meet with the tribes.

A lot of the project work between MDOT and the tribes gets done at the Region and TSC levels. A great deal of the project work involves areas where tribal governments have ongoing and fairly sizeable entertainment developments of their own. For example, the Traverse City TSC worked with the Grand Traverse Band of Ottawa and Chippewa Indians relating to access management and permitting on M-72; the Marshall TSC worked with the Nottawaseppi Huron Band of Potawatomi Indians, on transportation enhancements related to the planned tribal casino project, to be located nearby the I-94/Eleven Mile Road interchange in Calhoun County; and most recently, the Kalamazoo TSC continued discussions with the Match-E-Be-Nash-She-Wish/Gun Lake Band of Pottawatomi Indians, on the tribe's proposal to reconfigure approximately 2500 feet to M-179 from the existing two-lane roadway to a three-lane roadway with center left turn lane and right turn lane into the tribe's proposed casino development project.

No questions were forthcoming.

V. **PUBLIC COMMENTS**

Chair Wahby asked if any member of the audience wanted to address the Commission.

Dr. James Anderson, Professor of Economic History at MSU, spoke regarding the Buy American issue in the ARRA.

Commissioner Atkinson asked if it were fair to say that when the issue of economics as it affects the auto industry is pointed out, we can't really see that whole picture unless we feed into it the immense effect of the auto industry in the United States having to fund health care plans and retirement plans for its workers when they are competing with industries in Asia and Europe who do not.

Dr. Anderson replied absolutely. If I could do just one thing for the American auto industry and for the American manufacturing sector, I would get the existing health care system off their backs, get us closer to something similar to what our neighbors in Canada have, which is a fairly decent system with a longer life expectancy than our own.

Chair Wahby interjected that he hopes we never get the Canadian system; it has been nothing but an albatross to most of the people over there. Hopefully we can build off of it or build a better program.

Chair Wahby asked if any Commissioner wanted to address the Commission.

Chair Wahby thanked the staff at MDOT for their dedication to the demanding challenges facing them in this next year. He also thanked Director Steudle for the excellent job he has done since becoming Director.

VI. **ADJOURNMENT**

There being no further business to come before the Commission, Chair Wahby declared the meeting adjourned at 10:45 a.m.

The next full meeting of the Michigan State Transportation Commission will be held on March 26, 2009, in the 1st floor MDOT Bureau of Aeronautics Auditorium in Lansing, Michigan, beginning with a **joint** meeting with the Aeronautics Commission commencing at the hour of 9:00 a.m.; followed by the **regular** Transportation Commission meeting in the 2nd floor Conference Room, commencing at the hour of 10:00 a.m.

Frank E. Kelley
Commission Advisor