

MINUTES
MICHIGAN STATE TRANSPORTATION COMMISSION MEETING
June 26, 2009
Sault Ste. Marie, Michigan

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

Present: Ted B. Wahby, Chair
 Linda Miller Atkinson, Vice Chair
 Steven K. Girard, Commissioner
 Jerrold M. Jung, Commissioner
 James S. Scalici, Commissioner

Also Present: Kirk Steudle, Director
 Frank E. Kelley, Commission Advisor
 Marneta Griffin, Commission Executive Assistant
 Jerry Jones, Commission Auditor, Office of Commission Audit
 David Brickey, Attorney General's Office, Transportation Division
 Greg Johnson, Chief Operations Officer
 Leon Hank, Chief Administrative Officer
 Brenda O'Brien, Engineer, Construction and Technology
 Myron Frierson, Bureau Director, Finance and Administration
 Bill Shreck, Director, Office of Communications
 Randy VanPortfliet, Superior Region Engineer
 James Lake, Superior Region Office of Communications
 Bob Felt, North Region Office of Communications
 John Batchelder, Newberry TSC Manager
 Phil Becker, General Manager, International Bridge Administration
 Anthony Bosbous, Mayor, City of Sault Ste. Marie
 Dave Strickland, Sault Ste. Marie City Engineer

Excused: Maureen Miller Brosnan, Commissioner

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

Chair Wahby called the meeting to order at 10:00 a.m. in the Cisler Student and Conference Center, West Lake Superior Room, of Lake Superior State University in Sault Ste. Marie, Michigan, and thanked everyone for inviting the Commission to Sault Ste. Marie.

Chair Wahby called on Mayor Anthony G. Bosbous, City of Sault Ste. Marie, to give opening remarks.

Mayor Bosbous welcomed the Commission to Sault Ste. Marie. Transportation continues to shape this community. In addition to water transportation, the needs have been met with rail and highway transportation. The construction of the Mackinac Bridge in the 1950's, and the International Bridge in the 1960's, dramatically improved access to this area. Over the years MDOT has been a critical partner and ally in helping Sault Ste. Marie continue its efforts at rebuilding and redefining this community.

Chair Wahby asked each member of the Commission, department, International Bridge Authority, and Mackinac Bridge Authority to introduce themselves.

I. **COMMISSION BUSINESS**

Commission Minutes

Chair Wahby entertained a motion for approval of the minutes from the State Transportation Commission meeting of May 28, 2009.

Moved by Commissioner Scalici, with support from Commissioner Atkinson, to approve the minutes from the State Transportation Commission meeting of May 28, 2009.

Chair Wahby entertained a motion for approval of the minutes from the State Transportation Commission workshop of May 28, 2009.

Moved by Commissioner Scalici, with support from Commissioner Atkinson, to approve the minutes from the State Transportation Commission workshop of May 28, 2009. Motion carried.

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

Director Steudle addressed two handouts given to the Commissioners: photo in the June 11th publication of the Iron Mountain Daily News from when Commissioner Atkinson presented the STC Resolution honoring Chuck Erickson to the Dickinson County Road Commission that month; and, the Text for House Fiscal Agency Transportation Revenue Charts which give some brief transportation history, MTF distribution to road agencies (distributions are the same now as they were in the 1997/98 fiscal year), gasoline tax revenue (revenue for 2008/09 and projected for 2009/10 is the lowest it's been since 1997), diesel tax revenue, and registration tax revenue history (has been a steady indicator for us in the past and a steady state of revenue that's been continuing to increase until the last couple of years). Commissioner Atkinson asked to make further comments regarding the photo later in the meeting.

Director Steudle's report focused on:

TF2-Related Legislation Introduced

Eighteen bill drafts have been prepared so far covering TF2 recommendations; seven have been introduced to date. Hearings have been held on enlarged road asset management, requiring transit asset management, and enabling PPP's. Committees in both Houses have taken testimony from all involved interests on transportation finance, educating the many new members on the issue. The main bills to convert to a wholesale-price-based fuel tax, and increase ad valorem registration taxes, are still awaiting sponsors from both parties. Sponsors from both parties are sought as a promise that user-fee increases will not be made an election issue next year. New tax rates are still being discussed with potential sponsors. Reforms to Act 51 may include: changes to the Local Bridge Program and Grade Crossing Account to apportion new revenues, enlarging the CTF share to up to 10%, abolishing transfers to the Secretary of State and Treasury, and allowing the MTF to receive other than road-user fees.

Five Year Program Update

We are currently meeting with the Regions to review the program submittals as a part of the Call for Projects that was initiated last December. Also, our Planning and Finance areas are working closely together to update our revenue forecasts in order to identify state and federal revenues we can anticipate over the next five years. The State's consensus revenue estimate, released by the Department of Treasury in May, forms the basis for the state forecast. After the revenues are estimated, we would like to have a policy level discussion with you on various investment strategies that could be implemented. We would like to discuss the revenue estimates and investment alternatives, in a workshop format, similar to last August where we received feedback on the direction you wanted us to take.

Once a strategy is identified, it would be communicated within the department and the five year project selections aligned to achieve the investment strategy. We anticipate providing you with a preliminary list of projects based on full funding (able to match all federal aid) and reduced funding (inability to match federal aid) in August. These activities would take us through the summer.

At the September STC meeting, we will present the first annual element of the Five-Year Program – FY 2010 (this will be the last year that we fully match federal aid so it will still be a very robust program; having carry-over projects from the stimulus funding). September is also an important month as it begins the compilation of the Five-Year Program document with all the modes being emphasized (Highways, Aviation, Passenger Transportation, and Rail). Consistent with the schedule we have maintained with you over the past several years, we would: present the draft document in November, receive additional public input on the Program during November and December, come back to you in December with a summary of public comments and the final FY 2010–2014 Five-Year Program document, and in January we would ask for approval of the final document in order to forward the Program to the Legislature before March 1st (State Budget Bill requirement).

Chair Wahby commented that 2011 will be the critical year.

Director Steudle replied that 2011 is the critical year when projects start being delayed because there isn't funding; 2010 is going to be a very robust program. There was also a lot of discussion and misinformation about the stimulus projects. Some thought we were turning back stimulus money when in fact we're not; they are two separate and distinct pieces. One is our normal federal aid program (this is the one that has the match problem) and then there is the ARRA projects that are 100% funded. These are largely going out right now and they will be out this year. Many of them will be constructed this year; the rest will be constructed next year. Next year will be a little bit less than this year but comparable in size.

ARRA Update

We kept a thermometer display in the lobby of the Transportation Building as a yardstick to keep track of our goal. The goal was to maximize Michigan's use of the ARRA funds designated for highway infrastructure. In order to ensure that Michigan does not have

any of these ARRA funds withdrawn and to be eligible to receive additional redistributed funds from other states, MDOT must have \$296.5 million obligated by June 29, 2009, which is 120 days after the March 2, 2009 apportionment date. MDOT met its target three weeks early because of the staff all across the state that focused like a laser to make sure that Michigan didn't lose any money. All other state DOT's met their obligation as well; leaving no money for redistribution. However, we did receive some bid savings which were pumped right into more projects.

Some examples are: resurface and new asphalt on US-41 in Marquette (completed); US-23 from Everett Road to Black River Road in Alcona County (under construction and with people back to work); concrete joint repair on I-75 south of West Branch in Ogemaw County (completed around Memorial Day); I-69 and Fullerton Avenue bridge deck (not yet started).

A video was shown of Vice President Joe Biden speaking at the announcement of the 2000th ARRA project in the country (I-94 in Kalamazoo).

Chair Wahby asked how we estimate how many jobs are being created with the stimulus dollars. This money provided two missions—one was to fix the roads and the other was to create jobs.

Director Steudle answered that under the Recovery Act we are required to track all of that. Earlier versions had us tracking it way back into the economy. We report monthly—one to Congress and a few weeks later another one goes to FHWA, now it looks like Office of Management and Budget wants another report about jobs. As we begin to compile those we can bring them forward to the Commission meetings to talk about them. The gentleman in the video that introduced the Vice President was due to run out of unemployment benefits that very day. He had worked for Michigan Paving Materials and was laid off in October. That following Monday he was scheduled to return to work; had it not been for this contract, he was not going back to work. Additionally, the backdrop of the video was graciously supplied by Michigan CAT.

Director Steudle commended Suzanne Skubick and her team on their fine work in putting the video together.

Chair Wahby commended the Director and MDOT staff on the amount of work they did in a short period of time to ensure that Michigan did not lose any stimulus dollars.

Director Steudle mentioned that each month the pre-approvals will indicate whether the projects are funded with recovery funds, or in some cases if it's partially funded with recovery funds. For the July lettings there are a significant amount of projects that are beginning to roll out the door.

There is some legislation making its way through the legislature right now that deals with the Mackinac Bridge Authority (MBA) and its ability to create a self-insurance pool. This is a concept we have worked on for a number of years. We finally have the legislation that is hopefully going to the Governor's desk to get signed. This will enable the MBA and the department to enter into a contract to provide a buffer for the self-

insurance pool and pick up the excess liability which will ultimately save the taxpayers, and particularly the people that pay the tolls at the Mackinac Bridge, toll money in the form of about a quarter million dollars a year that won't need to go to an insurance company—it will go into their own pool. About three years ago we passed a policy that would enable this to happen. Probably at the July meeting you will see the actual agreement between MDOT and the MBA, after it's gone through the Attorney General and audit staff, asking for that final approval. Once it passes, the MBA will take it to the MBA Board for their approval. We are hoping that by the end of July to have it signed and sealed.

Bill Gnodtke, Chairman of the Mackinac Bridge Authority, added that the insurance legislation is going to save about a quarter million dollars a year. Just because of the uniqueness of the Authority we had to have our own insurance and it costs us about a quarter million dollars a year. In the last decade we have paid out over \$3 million in premiums and paid out damages of less than \$25,000. Ron DeCook and David Brickey have been very helpful in helping us get that through. The partnership between MDOT and the MBA has been great and staff from both agencies has been helpful in making our jobs easier.

Mr. Gnodtke invited everyone to the Mackinac Bridge Walk which takes place Labor Day weekend and also invited the Commission to St. Ignace for a Commission meeting.

III. OVERSIGHT

Commission Agreements (Exhibit A) – Myron Frierson

Mr. Frierson updated the Commission on bonding issues that occurred earlier this year:

May 13th – CTF Debt Service Restructuring was completed; issued \$42 million in bonds; had an average yield of 3.8%; had maturities ranging from 3-10 years; this allowed us to generate some cash flow savings over the next 3 years.

June 25th – Jobs Today and 2008 Economic Stimulus Grant Financing was completed; issued \$281 million in bonds; took advantage of a provision in ARRA called the Build America Bond (BAB) which provides for municipal bond issuers to receive from the US Treasury a 35% interest rebate on debt service payments; these BAB's were issued at 7.6% and the net interest is about 5% (which is about .45% lower than if we had issued normal tax exempt bonds). Also, as a way of trying to improve the credit, we worked with the rating agencies to change some of the provisions in these bonds versus some of our earlier issue and were able to get an upgrade in the bonds rating from a single A to double AA, which saved the department a significant amount of future debt service. By using these two approaches we reduce our overall debt service by about 6.5% over the life of the bonds.

Chair Wahby asked, so that we don't lose any of the federal money or the monies that would come our way, if we come up short in 2011 on matching federal funds is it possible to bond for matching funds.

Director Steudle replied that it is always a possibility but the thing that remains a real concern is our bonding cap. Last year when we advanced the economic stimulus

projects, the state of Michigan ones where we advanced the \$150 million, we were really bumping up against our cap of how much is fiscally prudent to do. It is something that we should look at very cautiously.

Commissioner Jung asked if the first bond issue mentioned, which was tax exempt, had an average yield of 3.8%.

Mr. Frierson replied yes.

Commissioner Jung then asked if the taxable bonds on the Build America were 7.6% for a net 5%; sounds like that's a more expensive alternative than going with the tax exempt bonds.

Mr. Frierson replied that there are two things: point in time (they were priced earlier in May) and the other is the length of the bonds (the CTF maturities range between 3 and 10 years; in the case of the Jobs Today and the Economic Stimulus the maturities are to 2027—18 years). Additionally, MDOT was the first issuer in the nation to use Build America Bonds supported by Federal Highway reimbursements.

Mr. Frierson updated the members on a waiver that was approved by Chair Wahby on June 11th on three projects for pre-approval in order to be let in the June 25th letting, and three projects that were over 10% over the engineers' estimate (the waiver accompanied justifications for those projects).

The then presented information on 24 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 Jung to approve Exhibit A. Motion carried on a unanimous voice vote.

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

Mr. Frierson gave a brief re-cap of the letting that occurred on June 5, 2009: 43 State projects with total engineers' estimates of \$69.8 million were let. The low bid amounts for these projects totaled \$63.4 million. The State low bids for fiscal year 2009 through June total \$610.2 million compared to \$581.2 million for the same period in fiscal year 2008. For all items in the June 5th letting bids were 11.8% lower than the engineers' estimate and we averaged about 5 bidders per project.

For the June letting, 38 projects with engineer's estimate of \$66.6 million and low bid amounts totaling \$60.5 million were approved for use of the American Recovery and Reinvestment Act Program (ARRA) funds. Since March 2009, and including the June 5, 2009, bid letting, the ARRA program funds supported 56 projects with a total engineers' estimate of \$163.4 and low bid amounts totaling \$145.2.

There was a letting yesterday with 35 projects and the engineers' estimates were \$65 million. Looking forward into July we will have a letting with 111 projects with engineers' estimates of \$167 million.

Exhibit A-1 contains 64 projects. Pending any questions, Mr. Frierson asked for approval of Exhibit A-1.

Commissioner Atkinson stated that she knows that the projects that are funded in part with ARRA funds have to meet the federal guidelines and regulations, but doesn't know what ARRA or the federal guidelines require with respect to warranties if anything. Fewer than 20% of these projects say anything about warranties so she wonders if this is the whole picture or are we even looking at warranties.

Mr. Frierson replied that we are still looking at warranties. One of the provisions of ARRA is that you have to maintain the same provisions that you had for your normal program. So as we've talked about with warranties, it depends on the type of pavement, type of pavement condition, and the type of planned fix.

Director Steudle added that the department would take a look at this and get an answer back to the Commission and reiterated what Mr. Frierson had said.

Commissioner Atkinson acknowledged that that is the question she should have asked—are they in there or aren't they—and stated that she would like to know that.

Chair Wahby entertained a motion. Motion was made by Commissioner Atkinson and supported by Commissioner Girard to approve Exhibit A-1. Motion carried on a unanimous voice vote.

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

Mr. Frierson provided information for 3 State projects and 7 Local projects. Pending any questions, Mr. Frierson asked for approval of Supplemental Exhibit A-1.

Commissioner Atkinson stated that she had the same question on this exhibit regarding warranties.

Chair Wahby entertained a motion. Motion was made by Commissioner Girard and supported by Commissioner Atkinson to approve Supplemental Exhibit A-1. Motion carried on a unanimous voice vote.

Contract Adjustments (Exhibit B) – Brenda O'Brien

Ms. O'Brien provided information for 13 MDOT projects and 11 Local projects. She then called attention to Local Agency Extra Item #2009-84 (Removal of traffic signals, poles, controllers...in the city of Benton Harbor, Berrien County). There is an error in the write-up on page 2 (paragraph 4, line 3) which currently states "The project had an approved extension of 30 days..."; it should be corrected to read "...150 days...". This project had very complicated ADA requirements and much retrofit work needed to be accomplished which resulted in that extension.

Ms. O'Brien also called attention to MDOT Extra Item #2009-100 (Replacement of pot bearings...in the city of Zilwaukee, Saginaw County). This project has been before the Commission previously; CM (contract modification) #15 was previously approved; it's in

the amount of \$603,830. This submission is changing the funding category for that CM (previously erroneously reported in one funding category and this CM is changing that funding category); there's no change in the dollar value.

Pending any questions, Ms. O'Brien asked for approval of Exhibit B; none were forthcoming.

Chair Wahby entertained a motion. Motion was made by Commissioner Scalici and supported by Commissioner Girard to approve Exhibit B. Motion carried on a unanimous voice vote.

IV. **PRESENTATIONS**

Superior Region 2009 Program and ARRA Progress – Randy VanPortfliet, Superior Region Engineer

Mr. VanPortfliet welcomed the Commission to the UP; thanked John Batchelder, Newberry TSC Manager, Phil Becker, IBA, and Spencer Nebel, City of Sault Ste. Marie for their assistance in coordinating the activities for the Commissioners and MDOT staff.

Superior Region 2009 Program

The 2009 Program includes 31 projects—15 regular program projects totaling \$23.4 million, 15 ARRA projects totaling \$19.7 million, and a carryover project from 2008 (the deck replacement on the Cut River bridge). This compares to a typical year of roughly 45 projects. Our normal program was 5 Reconstruction and Rehabilitation (R&R) projects at about \$14 million and 10 CPM projects at about \$9.4 million (these CPM projects do have warranties), so we're totaling about \$23.4 million this year. This is down for us; we've been as high as \$100 million 2004 and it's been decreasing each year.

2009 Notable Projects

U.S.-41/Shelden Avenue Reconstruction, Houghton

The partnership with the City of Houghton on this project has been key. They brought \$2.7 million to the table for this project, the region put up about \$170,000 and the remaining cost came out of the enhancement fund. One of the important considerations in this project was providing access to the historic downtown's businesses during construction. The work is scheduled in two-block increments. Wooden sidewalks are being used to maintain pedestrian access. We worked with 17 stakeholder groups in planning for this project, including Houghton and Hancock transit managers for their use in making adjustments to routes/schedules, and the U.S. Coast Guard to limit openings of the lift bridge for recreational craft.

We also prepared the surrounding community for this project with two public information meetings - one during design and one prior to construction - issuing press releases, and publishing project brochures. MDOT created a project-specific web page on the project with email project status updates, and the city of Houghton and Michigan Tech both have information published on their own websites.

The first two blocks are complete. There are seven blocks total, and work has begun on the fourth block. We are approximately 40% complete (\$1.5 million), and one week ahead of schedule.

U.S.-41 Boulevard Extension, Houghton/MTU Campus

This provides a place of refuge for students and other pedestrians crossing U.S.-41. We worked closely with MTU staff since project scoping. Four options were considered: a tunnel, raising the roadway, an elevated walkway and boulevard extension. We coordinated with cities of Houghton and Hancock to design traffic control. MTU summer break was targeted to avoid most student traffic and we worked with student representatives to develop a MTU pedestrian detour. It is expected to be completed before school starts back up—August 31st.

U.S.-2 Cut River Bridge Deck Replacement, Mackinac County

This is a sister bridge to the I-35 bridge in Minnesota (not exactly the same but in the same family of bridges). When preparing to take the deck off last year, this bridge required additional superstructure reinforcement in order to keep the strength up because of the integral nature of the deck. This year we are at the point that we will be putting the new deck on. This bridge has historic sandstone abutments, is a tourist attraction with sidewalks on both sides, a roadside park at both ends, is about 641 feet long, and is about 150 feet above the river. One of the aspects of the Cut River Bridge is the new tower. In conjunction with the MBA we are having a tower connected to a weigh-in motion scale and a Remote Weather Information System (RWIS). The RWIS will be collecting the temperature of the pavement, and the humidity. The weigh-in motion scale will record the weights of vehicles crossing the bridge. There will be sensors in the structure to collect information on the stress and strain to the bridge, due to the vehicles crossing the bridge. The information will be collected at the Cut River, beamed over to the MBA, and then a direct feed to Lansing. This will give us real-time information on what is happening to that structure if an overweight truck goes over, and what it does to the structure, how that structure is responding and if there are any impacts to the structure. There is a detour that adds about 1 ½ - 2 minutes of scenic drive time

Director Steudle added that, as a point of reference, the Cut River Bridge is similar to three other bridges in the state that are of similar design as the Minneapolis Bridge. That is why we are taking the extra precautions on this one with the remote monitoring so that we can get early indications as to any movement going on with that bridge to avoid any kind of issues in the future.

Mr. VanPortfliet added that of those three structures, two are in the UP—one a pedestrian bridge in the Eagle River/Eagle Harbor area—they have been checked and found to be safe and in good condition for the pedestrians.

Director Steudle clarified that this bridge was listed as structurally deficient but it was because of the deck so the project that the Superior Region team are working on replaces the deck. When that project is done it will no longer be listed as structurally deficient. The steel structure is in very good shape.

ARRA in Superior Region

Superior Region had 15 projects on the A list and \$628 million remainder list totaling an estimated \$25 million. Due to favorable bids, the as-bid cost was \$19.7 million. Twelve projects have been let (4 projects have been completed, 2 under way), and the remaining

three are scheduled to be let in August. Thirteen projects will be substantially completed by the end of the 2009 construction season, with the remaining two (the U.S.-41/Front Street roundabout in Marquette, and the U.S.-2/41 intersection in Rapid River) to be completed in 2010.

Of the 15 ARRA projects in the Superior Region, five are located in the Marquette area making for a very busy construction season. The Ishpeming TSC prepared special maps for area motorists. These ARRA projects were in addition to a resurfacing project on M-553, which meant that at various times this summer, all of the state trunkline access to Marquette will have seen construction. Resurfacing of U.S.-41 to the west of the city has been completed, and concrete joint repairs between Marquette and Harvey are complete.

The Easterday Avenue bridge project involved adding a pedestrian lane to the existing structure. This project was identified as a local priority as part of a Three Mile Road and Easterday Avenue Non-motorized Pathway Feasibility Study with funding through an MDOT Enhancement Grant. It benefits pedestrians in the vicinity of Lake Superior State University and the International Bridge plaza.

Commissioner Atkinson stated she noticed in May that the ARRA project along U.S.-41 and 28 going into Marquette had a big sign indicating that this project was with ARRA funds. This is the only place she's seen this and asked if there were plans to have more of these (signs).

Mr. VanPortfliet replied that there would be more signs but we've had some issues getting agreement on what the signs needed to look like. We had to get federal approval on what those signs look like. We've just received about 10 of them to use in the Region for the local projects, and the other ones have the signs built right into the ARRA projects.

Commissioner Atkinson added that the feedback from people in the area was very positive about how fast this was getting done; the more signs the better.

Mr. VanPortfliet replied that the industry has been very happy. We took a year that was "less than normal" and turned it into a "normal" year for them. Additionally, we have a partnership with the City of St. Ignace. The bus transfer station (for the Indian Trails bus) should be open within the next 2-3 months.

Mayor Bosbous thanked the MDOT Commission and staff for the Easterday Avenue project; it's been a dream come true for a long time. He also thanked Dave Strickland, City Engineer for his help with the itinerary for the activities.

Mr. Strickland commented that the project came about around October 1998 when Governor Engler announced a new Beautify Michigan Program to help Michigan look its very best to visitors from other states and around the world because of the International Bridge. In 1999/2000 there was a Call for TE Projects which was a significant part of that effort. The MDOT Newberry TSC Manager, John Batchelder, was instrumental because he believed that applications could be submitted to MDOT, with assistance from the city, to prepare the applications for several projects: 3 were distinct projects a 3 Mile

Road Bridge Study, a bridge widening, and an Eastern Avenue overpass bridge widening. The TE application was submitted in January 1999; two of the grants were approved in February 1999 (one for a Welcome to Michigan sign and the other for some I-75 landscaping); another grant application was approved in September 1999 (a study for the widening of the two overpasses). Over the next several years MDOT authorized a Bridge Study for these two overpasses and through coordination efforts between MDOT, the city, Eastern UP Regional Planning Commission and others, a request for proposals was assembled and issued for the bridge studies in 2005. The study provided a clear understanding of the needs and suggested a recommendation for bridge widening for multi-use pathways and it was provided in order to go forward in the future as funding became available.

International Bridge Update – Phil Becker, General Manager, International Bridge Administration

Mr. Becker introduced Sharon Sanford, Personnel Director/Office Manager/Contract Specialist, and Janis Burgess, Member of the Joint International Bridge Authority. He then invited the Commissioners to walk the arch of the bridge.

At the March 26th meeting three challenges were mentioned that the IBA was facing:

Declining toll revenue/increasing costs – 15% drop in monthly traffic since September 2008. Traffic is half of what it was 15 years ago; we now see about 1.8 million crossings a year. So far this year since both countries are struggling with the economy, we have seen a 20% decrease in traffic beyond that. Commercial traffic in April was down 34% (commercial traffic trucks is only 7% of our traffic and gives us 50% of our revenue).

Border security impacts – the Western Hemisphere Travel Initiative (WHTI) document was implemented on June 1st. The USCBP, although they didn't waive the requirement, softened it a bit to say that a U.S. citizen can be granted entry back into the United States if they can provide acceptable proof of U.S. citizenship. An analysis of bridge traffic indicates an estimated 3-4% decline in June bridge traffic due to the WHTI requirement.

Unfunded mandate for \$50 million CBSA Plaza – an international bridge crossing that charges a toll is actually responsible for providing and maintaining customs on the Canadian side. In the United States the U.S. government pays for that facility. Canadian law requires that the bridge operator pay for that—we don't have to put the people in there but we have to provide the buildings (maintain it, pay the utilities. The Canadian government has demanded that the 46 year old plaza be replaced due to functional obsolescence. The IBA, as the crossing operator, has insufficient toll revenue to fund the \$50 million project. A grant application to the Canadian government's "Gateways and Bridge Crossing" funding program was submitted to Transport Canada in 2008. Government review comments, up to very late, indicate that the application, purpose, and need for the project have been favorable. We are very optimistic that sometime this summer the Transport Canada Minister, John Baird, will announce project funding for the majority of the project costs.

The 46 year old toll plaza must be relocated southerly to address traffic safety, truck maneuverability, and traffic management problems caused by close proximity of the toll

plaza to the USCBP Facility. We have a plan and the design phase is underway. The JIBA Board has authorized the design phase but not authorized the construction phase of this \$8 million project, pending updated construction costs and updated toll revenue projections. To the extent financially feasible the goal is to have a new toll plaza by 2012 (50th anniversary of the bridge).

The IBA Website is www.michigan.gov/iba; the IBA Webcams site is www.saultbridge.com/.

Chair Wahby asked, when they invite people to walk the bridge, what kind of security was provided.

Mr. Becker replied that you are outfitted with a fall restrain harness but we do not give you life vests.

Commissioner Scalici asked how far of a fall would it be.

Mr. Becker replied that it's 225 feet.

V. **PUBLIC COMMENTS**

Chair Wahby asked if any member of the audience wanted to address the Commission; no comments were forthcoming.

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

Commissioner Atkinson read the note from Chuck Erickson's family acknowledging the STC Resolution honoring him, which was presented to the Dickinson County Road Commission on June 10th.

VI. **ADJOURNMENT**

There being no further business to come before the Commission, Chair Wahby declared the meeting adjourned at 11:50 a.m.

The next full meeting of the Michigan State Transportation Commission will be held on Thursday, July 30, 2009, in the 1st floor Bureau of Aeronautics Auditorium in Lansing, Michigan, commencing at the hour of 9:00 a.m.

Frank E. Kelley
Commission Advisor