



Federal Highway Administration

Rural Transportation Planning Workshops

Montana Workshop

Including

Idaho

North Dakota

South Dakota

Wyoming

FINAL DRAFT

Summer 1999

Dye Management Group, Inc.

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Road mileage data included in this report is from the Federal Highway Administration, 1996, and can be accessed at www.fhwa.dot.gov/ohim/1996/section5.html.

Federal Highway Administration

Rural Transportation Planning Workshops

Montana Workshop



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Federal Highway Administration

Rural Transportation Planning Workshops

Montana Workshop



1.0 Introduction

The Federal Highway Administration (FHWA), assisted by Dye Management Group, Inc., conducted a series of regional rural transportation planning workshops from October 1998 through July 1999. The Montana Department of Transportation hosted the sixth regional workshop on April 28-29, 1999, in Billings.

These workshops were structured to allow the exchange of success stories and dialogue between neighboring states and their representatives on how to make rural transportation planning effective. In addition, the workshops were used to assemble information on how local elected officials are involved in the statewide transportation planning process. Officials from Idaho, Montana, North Dakota, South Dakota, and Wyoming, including planning representatives, district/ county engineers, local elected officials, rural planning organizations, economic development agencies, tribal governments, departments of transportation, and rural transit operators were invited to attend. The information gathered at the Montana workshop is presented for each state individually. Overall workshop findings and conclusions follow the state summaries.

1.1 Objectives

The purpose of the workshops was to foster dialogue and the exchange of ideas, not formal presentations. The objectives of the workshops were to:

- Explore and promote effective ways to involve rural officials in the statewide transportation planning process.
- Enable participants to share experiences in rural transportation planning and programming.
- Build relationships among participants that can form the basis for future cooperation and coordination.
- Identify the most effective roles and responsibilities for rural transportation providers and users.

- Determine rural transportation needs and issues that are being addressed by planning and programming.
- Identify best practice planning techniques used in developing successful rural projects.
- Obtain information for a report to Congress on how responsive state transportation plans and the statewide transportation planning process are to rural concerns and how rural officials are involved in the planning process.

These objectives were achieved by working through an agenda of discussion topics. Workshop participants were asked to come prepared to provide input around specific questions that they were given in advance.

1.2 Discussion Topics

Five principal discussion topics were addressed in the workshop. Knowledgeable individuals from each state, from both the state department of transportation perspective and the local rural perspective, were asked to address these discussion topics. The topics were:

- **The Process and the Outcome: How Planning for Rural Areas Is Conducted**

This topic covered the following questions:

- How is planning for rural areas conducted?
- How are rural transportation needs addressed in the development of the statewide transportation improvement program?
- How are rural officials involved in decision making?
- What do you see as the strengths and weaknesses in your state?

- **Jurisdictional Roles, Responsibilities, and Funding**

This topic covered the following questions:

- What are the jurisdictional roles and responsibilities in your state for planning, programming, and funding improvements in rural areas?
- How are plan decisions funded?

- **Integration/Coordination with Other Plans**

This topic covered the following questions:

- How are local/regional plans coordinated with other plans?

- How are local rural goals balanced against regional/statewide goals and objectives?

- **Success Stories**

This topic covered the following question:

- What success stories do you have of innovative programs and projects that address rural needs?

- **Other Issues**

This topic covered the following question:

- What are the major rural transportation issues facing rural areas in your state, for all modes?

1.3 Participants

State departments of transportation were solicited to host the rural transportation planning workshops. Based upon the response, host states were identified and nearby states were then invited to attend.

Knowledgeable individuals, from both the state department of transportation perspective and the local rural perspective, were invited to attend the workshops. The objective was to have approximately five people from each state, representing a variety of rural transportation stakeholders, actively participate in the workshop forum. Participants included local, state, and federal planning representatives; county engineers and commissioners; local elected officials; councils of governments; regional planning organizations; economic development agencies; tribal governments; and rural transit operators. National organizations represented at the workshops included the:

- Community Transportation Association of America.
- Federal Highway Administration.
- Federal Transit Administration.
- National Association of Counties.
- National Association of County Engineers.
- National Association of Development Organizations.

The local elected officials who participated in the workshops included rural mayors, county commissioners, judges/county executives, public works directors, trustees, and former state legislators.

1.4 Report Structure

The format of this report is based on the workshop objectives and topic areas, as follows:

- The Rural Planning Process.
- Programming and Funding for Rural Area Decisions.
- Major Planning Issues.
- Identified Strengths and Weaknesses.
- Success Stories.

Each of the participating states are addressed in turn. A list of workshop participants and maps of each of the states are included in the attachments.

2.0 Idaho

Idaho contains 121,500 lane miles of roads, 113,361 lane miles of which are rural, and 5,794 of these rural miles are on the National Highway System. Forty-nine percent of rural roads are locally owned. Idaho’s rural transportation planning process is considered to be a blend of top-down and bottom-up methods.

2.1 The Rural Planning Process

Idaho has six regional planning and development organizations that work with local governments on planning efforts. Their boundaries correspond with those of the Idaho Transportation Department’s (ITD) six districts. While the planning and development organizations do not have formal planning roles with the department, they and other organizations are encouraged to participate in the statewide transportation improvement program (STIP) process. ITD coordinates transportation planning and develops the STIP based on input from the public, local jurisdictions, metropolitan planning organizations (MPOs), and federal and state agencies. A transportation board oversees the department and approves the program.

Each ITD district has a transportation planner who coordinates with local governments and reports to the district engineer. ITD holds quarterly meetings with an intermodal working group consisting of MPOs, local road representatives, and other planning groups in all the districts to ensure coordination. Each district also has a citizens’ advisory committee for public transportation and a district-wide transit plan.

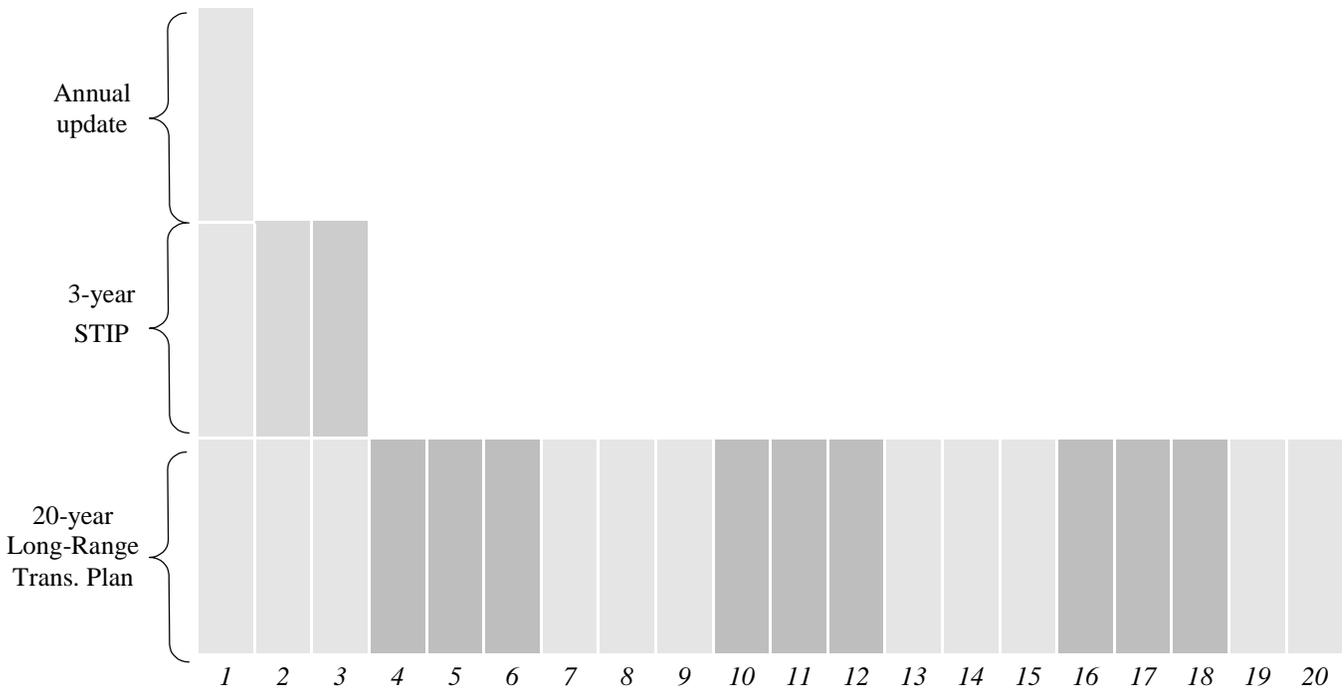
Principal Rural Planning Activities

- Citizens, agencies, local elected officials, planning and development organizations, and local governments identify needs and make recommendations to the ITD district transportation planner.
- ITD district planners submit project recommendations to the central office in the spring of each year.
- ITD headquarters develops the three-year STIP with input from the Local Highway Technical Assistance Council, Division of Environmental Quality, Enhancement Advisory Committee, and other transportation stakeholders.
- The draft STIP is released by ITD in the summer and made available for public comment.
- ITD incorporates comments into the STIP and submits it to the transportation board for approval in the fall. The board also approves amendments to the STIP.

- Once approved, open houses are held to discuss project specifics with local residents and local elected officials.

Exhibit 2a illustrates Idaho’s transportation planning process.

Exhibit 2a: Rural Planning Integration in Idaho



Local Elected Official Involvement

Local elected officials are encouraged to participate in the rural transportation planning process by identifying transportation needs and recommending projects to their ITD district planner, and by later reviewing the draft STIP. In addition, ITD encourages local officials to develop a transportation element as part of their jurisdiction’s comprehensive plan. Officials may also work with their planning and development organizations to assist with regional planning efforts.

2.2 Programming and Funding for Rural Area Decisions

ITD’s budget consists of approximately 50% state funding and 50% federal funding. Of the state funds, 38% goes to local governments based on road miles, 5% goes to the state police, and 57% goes to the state highway distribution account. Approximately 12.6% of Idaho’s total federal apportionments (after deductions for state planning and research

[SPR], congestion mitigation and air quality [CMAQ], enhancements, high priority projects, and recreational trails), or \$20 million, in the surface transportation program (STP) is set aside for local highway jurisdictions, with \$10 million of that amount (subject to federal obligational limitations) being reserved for rural regions. ITD typically does not provide funding for local matches, but has a limited program of \$4.5 million annually in STP rural funds in which it exchanges federal for state funds at 62%.

Local governments can generate additional transportation revenue through property taxes, special option registration fees, impact fees, and use of limited bonding authority; they cannot levy sales, income, or special option taxes.

2.3 Major Planning Issues

The following major rural planning issues were identified during the workshop.

- Federal lands compose 62% of Idaho, and are drawing increasingly more tourism.

There are many dual agency agreements to maintain public agency roads. Consequently, local funds do not necessarily stay on local roads, and local governments must deal with increasing demand with decreasing funding. In addition, federal forest reserve funds are shrinking as a result.

- Rural transportation planning can be undertaken as part of the land-use planning process, but is often overlooked.

ITD, in cooperation with local governments, developed a planning guide – “Transportation in Your Local Comprehensive Plan: A Guide for Local Government Officials” – to assist local officials with the preparation of a transportation element in their local jurisdiction’s comprehensive land use plans.

2.4 Identified Strengths and Weaknesses

The following strengths and weaknesses were identified during the workshop.

Strengths

- The Local Highway Technical Assistance Council offers planning assistance to Idaho’s 283 highway jurisdictions, interfaces between local governments and ITD, and works with the transportation board on federal aid issues.
- ITD has become involved in transportation coalitions and has encouraged the formation of several others in ITD districts to help the state and local governments develop an ongoing relationship through regular meetings. The coalitions are characterized by cultural similarities and common traffic patterns.

- To prevent grandstanding and encourage a more interactive environment, ITD changed from a town hall public meeting forum to an open house format.
- Idaho has a statewide transit association, the Community Transit Association of Idaho.

Weaknesses

- ITD interacts with 283 jurisdictions for highways, including 64 highway districts and 33 of the 44 counties and 186 cities with jurisdiction over highways.
- Less than 80% of local governments have comprehensive plans, and only half of these have a transportation element.
- There is little state-level policy guiding public transportation.
- Federal forest reserve money – 70% of which is used to fund highways in rural areas – is rapidly decreasing.
- Agencies such as the Local Highway Technical Assistance Council are not empowered to deal with public transportation issues.

2.5 Success Stories

- The Idaho Corridor Planning Guidebook is an example of a collaborative effort between ITD and local governments to expand the public participation process and link transportation planning with local land use planning. The corridor plans developed through this process define a comprehensive package of recommendations for managing and improving the transportation system in a specific corridor for a 20-year period. The guidebook has six general objectives:
 - Develop collaborative partnerships with local governments.
 - Involve local highway jurisdictions and stakeholders in the identification of transportation issues and needs.
 - Allow stakeholders to identify specific corridor solutions and resolve planning issues before project development begins.
 - Notify property owners of possible future land use for transportation purposes.
 - Reduce project costs in the long term.
 - Increase overall transportation efficiency.

- The City of Twin Falls formed a committee to evaluate whether a second bridge was needed to cross the Snake River. ITD and nearby towns and counties contributed seed funds, which were used by the state to hire a consultant to determine the real need for a new bridge. The bridge is expected to cost \$80-100 million and may not be implemented for 25 years, but the evaluating committee and process were considered to be a successful cooperative effort by local elected officials, citizens, truck drivers, and other stakeholders.
- The Idaho Transportation Planning Task Force was created to reach consensus on statewide transportation planning issues through enhanced communication and coordination between ITD and local highway jurisdictions. The findings of the task force are effecting changes in the way rural projects are identified and funded.

3.0 Montana

Montana contains 142,465 lane miles of roads, 137,303 lane miles of which are rural, and 9,962 of these rural miles are on the National Highway System. Sixty-seven percent of rural roads are locally owned. Montana’s rural transportation planning process is considered to be a blend of top-down and bottom-up methods.

3.1 The Rural Planning Process

Montana has three economic development districts, which have no formal transportation planning roles or responsibilities, but advance strategies through local government sponsorship. The Montana Department of Transportation (MDT) conducts planning through its five districts and in conjunction with local governments. MDT is overseen by a five-member transportation commission, one from each transportation district.

MDT recommends that each county have a transportation advisory committee, consisting of local elected officials, social service representatives, and citizens. Local governments directly prioritize projects with allocated federal and state funds on secondary and urban systems. Transit providers must create a five-year Transportation Development Plans to receive capital assistance. Counties within each district are developing customized planning processes for the capital improvement component of the secondary project. All enhancement funds are prioritized by local and tribal governments.

Principal Rural Planning Activities

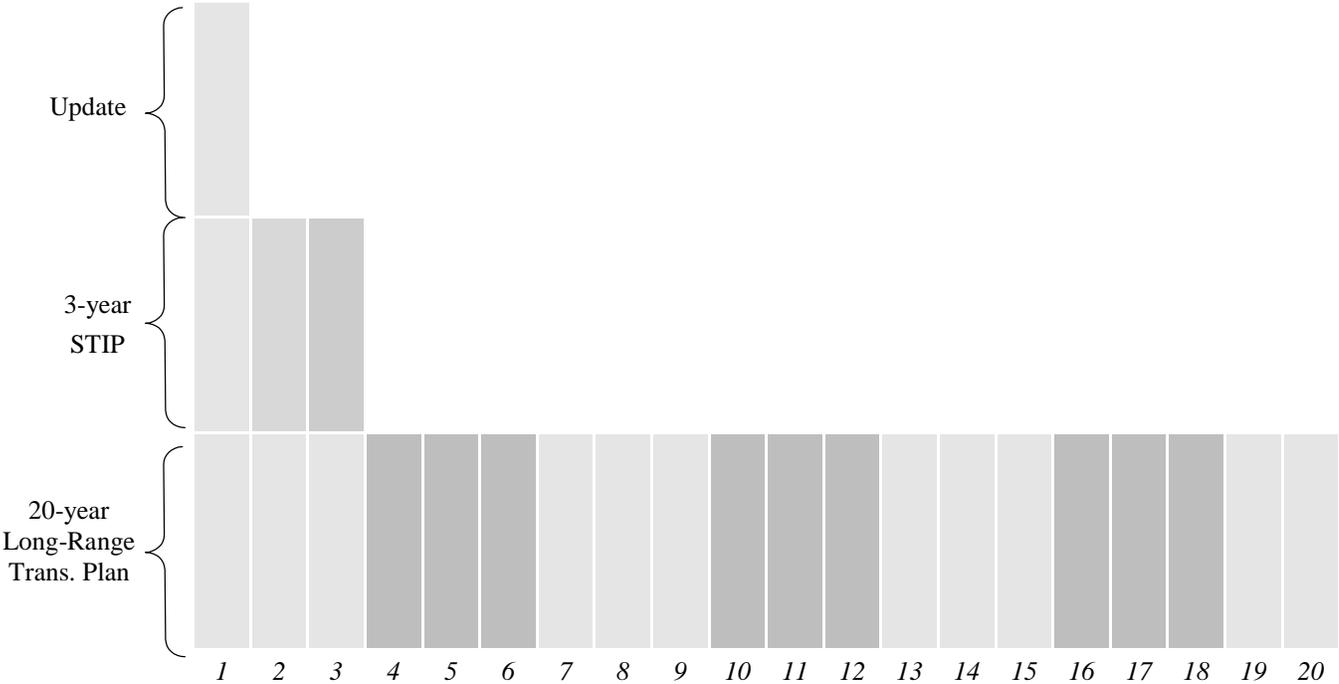
- MDT district and headquarters staff assist counties to determine needs and rank their projects.
- Projects are then prioritized by MDT on a district-wide basis based on criteria established by MDT planners and county commissioners.
- The district project list is voted on by the counties and MDT. Each county receives one vote, and MDT receives two votes.
- Districts forward their project lists to the MDT central office, which develops the three-year STIP. The STIP is then released for public comment and review.
- MDT incorporates public input, and submits the STIP to the transportation commission for approval.
- Once approved, project-specific public involvement measures are taken by MDT at the local level, ranging from a news release explaining the details for simple projects to exploratory committees, personal contact with affected stakeholders, and public hearings for complex projects.

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- MDT conducts random sampling of stakeholders and services every other year, and publishes a status report on their strategic objectives. The long-range plan is also updated biennially.

Exhibit 3a illustrates Montana’s transportation planning process.

Exhibit 3a: Rural Planning Integration in Montana



Local Elected Official Involvement

Local elected officials participate in the rural transportation planning process by developing plans for their jurisdiction and working with their MDT district staff to prioritize projects regionally. Local officials also have the ability to designate special districts in order to levy taxes for transportation purposes. Local planning offices also work with MDT to coordinate mitigation measures on major new developments looking for access onto the transportation system.

3.2 Programming and Funding for Rural Area Decisions

Through the new secondary roads planning process, 35% of funds go to secondary system preservation work and 65% of funds are distributed for capital improvements. Funding was previously distributed to each of the 56 counties for construction, but it is now allocated to the five transportation districts for sub-allocation based on each district's own criteria.

Local governments receive \$17 million in fuel tax distributions for maintenance of roads under local jurisdiction. In 2001, MDT will assume responsibility for maintenance of the paved secondary system at an approximate cost of \$15 million a year. The Save Our Secondaries Program provides approximately \$15-20 million in state funds annually for preservation projects.

MDT has a staff of 25 that works with local governments to handle federal reimbursement programs. MDT matches all federal aid except for enhancement projects. Local governments can also implement various fund raising mechanisms for transportation purposes, as follow:

- *Rural Improvement Districts.* A board of county commissioners can create a rural improvement district to allocate the cost of public improvements through a special assessment tax on property. They allow quick project construction and financing through the sale of special assessment bonds that are tax-exempt, so costs to property owners are usually less than with private financing.
- *Multijurisdictional Improvement Districts.* These districts are established to fund highway improvements that cross city limits or county lines, and operate in the same manner as rural improvement districts.
- *Tax Increment Financing District.* These districts are designated areas where property taxes support the construction of a new facility. They are different from improvement districts in that the new project is generally financed through revenue bonds that are paid off through a property tax assessed against the increase in property values.
- *Development Impact Fees.* These fees allow local governments to defray the cost of improvements needed to accommodate an increased demand for public services, and require growth to pay for itself.
- *Local Option Taxes.* Montana law allows local governments to levy a gas tax up to 2 cents per gallon, a vehicle excise tax up to 0.5%, and a resort tax up to 3%.

Although MDT provides no direct state funds for public transportation, it uses the flexible funding provision for federal funds to transfer \$300,000 from the highway construction program to transit programs.

3.3 Major Planning Issues

The following major rural planning issues were identified during the workshop.

- Montana has an average of six people per square mile, the lowest of the contiguous states after Wyoming's five people per square mile. Almost half of Montana's counties have two or fewer people per square mile, and none reach the national average. Revenue generated by this small population is insufficient to support the state's vast road network, and federal construction requirements are considered too stringent and costly in many cases, especially off the National Highway System.

The U.S. Census Bureau has previously categorized western counties with two or fewer people per mile as "frontier." Many planners believe that a "frontier" status should be used to classify highly rural counties for transportation purposes. With this status should come different construction standards.

- Many counties have found the previous secondary road program difficult to work with because it was hard to accrue sufficient funds for a major secondary system reconstruction project. Funding balances and caps hinder program delivery, and the formula used for distributing funds was not always equitable.

Because of these concerns, MDT, the Montana Association of Counties, and the County Commissioners of Montana recently proposed successful legislation to allocate funds to MDT districts and refine the distribution formula. The new formula will allocate funding based on 30% land area, 35% rural population, 30% rural road mileage, and 5% rural bridge square footage. Each district will establish a process to prioritize district-wide construction projects, county officials will then determine the sub-allocations to counties and project rankings. MDT will also assume maintenance responsibilities for all paved secondary roads to assist local governments with some of their responsibilities.

- The North American Free Trade Agreement (NAFTA) has enhanced trade and facilitated access to the U.S. interstate system.

Canadian trucks are coming down to Montana to use the interstate system for east-west travel because fuel is cheaper and the roads are better. Border crossing traffic has more than doubled at some ports of entry. Because this commodity flow does not begin or end in Montana, little economic development has come from these movements.

- Some counties are not accepting newly constructed subdivision roads into their maintenance programs due to a lack of funding.

In some counties, roads in new developments must be built to standards and maintained by homeowners' associations. The road plans must meet standards before the development breaks ground, and a licensed engineer must create an acceptable

maintenance schedule. The county enforces the maintenance schedule by collecting the dues and/or taking the homeowners' association to court if maintenance lapses. While classified as private roads, the developments must allow public access.

In other counties, new developments are not maintained by the developers and counties are under significant financial pressure.

3.4 Identified Strengths and Weaknesses

The following strengths and weaknesses were identified during the workshop.

Strengths

- All but four counties have some level of transit services, and MDT's transit section is responsive to calls for assistance.
- The transfer of highway construction (STP) funds has met most of the capital transit needs of Section 5311.
- MDT is establishing a planning process at the county level and helping counties to identify goals, evaluate data, and prioritize needs. The department also encourages counties to plan regionally and deal with the continuity of routes.
- Each MDT district ranks projects according to a different set of previously discussed criteria that best reflects that district's needs and issues. For example, some districts emphasize surface condition while others need to address congestion. These criteria are established by the counties in cooperation with MDT.
- Because many projects in the three-year STIP have already been in development for several years, MDT staff uses the Performance Programming Process to get earlier involvement on projects before project development begins.

Weaknesses

- Only 22 of Montana's 56 counties have full-time county commissioners. In 17 counties the commissioner is in office about once a week. Most planning is done through contracts on an as-needed basis.
- Railroad lines are doubletracking, increasing the length of trains, and running multiple trains in a row. Many small towns are bisected by hazardous rail crossings, and the wait time is increasing. The rail companies do not have to communicate with the state or mitigate their impacts.

- Montana has no dedicated transit funding source at the state level, and some rural transportation systems have difficulty matching Section 5311 grants. Most service providers are highly dependent on federal funds.
- Transportation Development Plans for public transit services are sometimes isolated documents that are not integrated with other local plans, and many rural areas require assistance to develop a usable proposal.
- County transit providers generally are not networked, do not coordinate services, and do not cross county lines.

3.5 Success Stories

- The Community Transportation Enhancement Program uses the entire STP set-aside to support locally prioritized enhancement projects. With support from MDT, local governments select, develop, and deliver these projects. Although there was initial frustration at working with federal guidelines, the comfort level has increased and many projects have been delivered. MDT has increased its number staff dedicated to this program from six to 11.5, who oversee 50-60 new projects each year.
- Through the City Park Rest Area Program, MDT builds truck-capable rest areas in parks in small cities or towns and the local governments maintain them for ten years. So far 14 such facilities have been built.
- MDT – in conjunction with local and tribal governments, and through an advisory committee – has developed a statewide access classification system to improve the safety and integrity of the road system. Both the department and local jurisdictions will create access plans for at-risk corridors. Implementation of the classification system will require significant interaction between local governments and MDT to ensure coordination.
- The Missoula-Ravalli Transportation Management Association was the first rural transportation management area in the United States. Since its inception, it has saved approximately 26,000 vehicle trips and reduced travel by almost a million miles through its car- and vanpool program alone. The Missoula-Ravalli association has drafted legislation for telecommuting by state agencies, tax incentives for businesses initiating transportation demand management programs, and employer carpool liability limitation. It has also created a how-to video on applying transportation demand management strategies in other communities.

4.0 North Dakota

North Dakota contains 175,753 lane miles of roads, 171,770 lane miles of which are rural, and 7,024 of these rural miles are on the National Highway System. Ninety-one percent of rural roads are locally owned. North Dakota's rural transportation planning process is considered to be a blend of top-down and bottom-up methods.

4.1 The Rural Planning Process

North Dakota has eight planning and development regions, one of which is defunct. The regions are generally grant writing organizations that do very little land use planning and almost no transportation planning. The State of North Dakota is currently developing a strategic planning model for the regions to use with their cities and counties for land use, economic development, and transportation.

The North Dakota Department of Transportation (NDDOT) conducts almost all rural transportation planning, and is divided into east and west regions, each with four districts. There is no transportation commission that oversees the department; the NDDOT director makes final project and funding decisions and reports directly to the governor. Rural transportation planning is initiated at the state level with input from local jurisdictions and the general public; state law does not require a formal, statewide transportation planning process. Similarly, state law does not require a formal public involvement process. However, when federal funds are used, public input is solicited and citizens have the opportunity to provide input directly to the districts, regions, director, and governor.

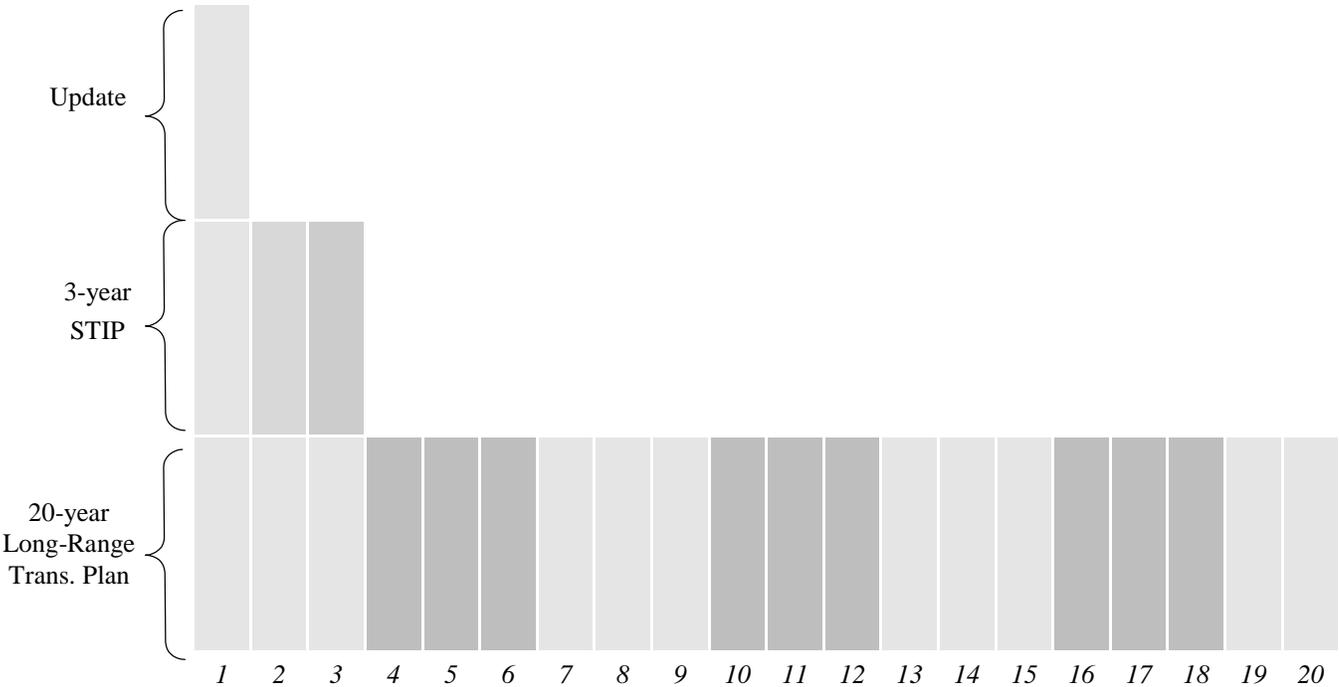
Planning at the county or city level is voluntary and varied, ranging from maintenance-only plans to comprehensive land use planning. Many counties that do conduct planning enlist the help of consultants.

Principal Rural Planning Activities

- NDDOT districts evaluate their road network and determine needs based on pavement condition, age, and maintenance costs. The districts also receive input from local elected officials and citizens. This information is sent to the NDDOT regions.
- The NDDOT east and west regions prioritize projects across their districts and send the lists to the central office. The regions field comments from the public and local officials as well.
- A small committee at the central office develops the three-year STIP based on the two regions' recommendations, and forwards it to the NDDOT director for approval.
- After tentative approval, the draft STIP is released for public input.

Exhibit 4a illustrates North Dakota's transportation planning process.

Exhibit 4a: Rural Planning Integration in North Dakota



Local Elected Official Involvement

Local elected officials are encouraged to participate in the rural transportation planning process by contacting NDDOT with identified needs and recommendations for their jurisdictions, and by relaying input from their constituents. Local officials also make local funding decisions and determine priorities.

4.2 Programming and Funding for Rural Area Decisions

According to state law, the first priority for the expenditure of state highway funding is maintenance and preservation of the system. The second priority is to match federal aid, and the third is new construction.

Fuel taxes, vehicle registration fees, and other transportation related fees are combined into the State Highway Distribution Fund. NDDOT receives 63% of these funds, 23% goes to the counties, and 14% goes to cities. In addition, 1 cent of the motor fuel tax is taken off the top and allocated directly to townships based on their road miles. Transit programs receive \$2 from each vehicle registered in the state.

Of federal funding, 75% goes to NDDOT, 17% to cities, and 8% to counties. Federal bridge funds are split equally between the state and counties. For transportation enhancement funds, approximately 47% goes to NDDOT, 24% to urban areas, 17% to the State Tourism Plan, and 12% to counties. A seven-member, multi-agency task force selects enhancement projects for funding.

Most counties have a mill levy program to generate local money for road improvements. Citizens vote for a program and certain amount of money; there is a list of projects but no specific priority for completing them. Counties can also increase property taxes for transportation, which is generally an unpopular alternative.

4.3 Major Planning Issues

The following major rural planning issues were identified during the workshop.

- It is difficult to conduct long-range planning because NDDOT has tended to be reactive, rather than proactive.

NDDOT cannot predict climatic events such as snow, flooding, and freeze-thaw cycle changes, and has to be flexible to respond. If the department plans too rigidly then it will be unable to react to unexpected changes. For example, a harsh winter can require extra maintenance measures and damage roads.

- Since 1980, North Dakota has lost 1,000 miles of railroad branch lines, and since the early 1900s the number of grain elevators has declined from over 2,000 to 400.

Agricultural commodities that used to move by rail now go by highway, causing an increase in truck traffic. Trucks are increasingly heavier and using a few roads instead of spreading out over many. The number of grain elevator sites may also be further reduced to just 50 major facilities in the near future. North Dakota was the first state in the nation to complete its interstate system. Therefore, the interstate system and some of the National Highway System are nearing the end of their design life and were not built for the larger and heavier loads travelling on the system. In addition, regional changes in farming from grain to crops such as potatoes has caused more pounds per acre to be shipped.

- NAFTA has enhanced trading and facilitated access to the U.S. interstate system.

Canadian trucks are coming down to North Dakota to use the interstate system for east-west travel because fuel is cheaper and the roads are better. Border crossing traffic has more than doubled at some ports, and truck traffic has tripled. Because this commodity flow does not originate or end in North Dakota, no funding has been generated for road maintenance.

- NDDOT does not require local planning efforts.

A few years ago NDDOT had a process of working with counties to develop rural transportation plans. However, as funding priorities changed in NDDOT, the program was eliminated and counties became more dependent on consultants for transportation planning assistance.

4.4 Identified Strengths and Weaknesses

The following strengths and weaknesses were identified during the workshop.

Strengths

- NDDOT has an open-door policy for communication. Department and elected officials are very accessible to the public and each other. Citizens are encouraged to contact officials directly to provide input.
- North Dakota's four Indian reservations are growing and becoming more involved in transportation planning.
- NDDOT coordinates 43 rural public transportation projects across the state, three of which are tribal programs.
- The legislature is not involved in the transportation project selection process, and generally approves the NDDOT budget without comment.
- NDDOT assists local jurisdictions with plan review, bid lettings, right-of-way purchases, and local intelligent transportation systems (ITS) projects, in addition to providing mapping services and lending traffic counting equipment.

Weaknesses

- Because there is no formal planning process for identifying needs, NDDOT is often viewed as reactive in handling transportation issues.
- As the population in rural regions has declined, the rural transportation planning process has become more centralized by necessity.
- Only five counties have engineers; 48 counties use consultants to do planning.
- NDDOT receives little public input in the rural planning process. Most rural projects are non-controversial and welcomed by residents, such as maintenance or preservation projects.

- North Dakota has more miles of road per capita (167 miles of road for every 1,000 residents) than any other state.

4.5 Success Stories

- North Dakota's consolidated grant program for transit has simplified the funding and planning process, and was so successful that Minnesota implemented a similar program. The program takes all public transportation and some SPR funds, rolls them together, and gives them to the Federal Transit Administration (FTA) to administer. The money loses its transit versus highway distinction and makes it very flexible. In addition, projects and studies can run past a calendar year without problems.
- Morton County – a rural county with a population of 25,000 – has developed a geographic information system (GIS)-based infrastructure management plan in response to increasing land use conflicts due to expanding suburban development. Created through a consulting firm, the plan includes a global positioning system (GPS) survey of county roads and subdivisions. As a result, zoning ordinances, roadway standards, and plat approval processes were revised to minimize future land use incompatibility yet ensure the county's ability to provide essential services.

5.0 South Dakota

South Dakota contains 168,923 lane miles of roads, 164,605 lane miles of which are rural, and 7,286 of these rural miles are on the National Highway System. Eighty-eight percent of rural roads are locally owned. South Dakota’s rural transportation planning process is considered to be a blend of top-down and bottom-up methods.

5.1 The Rural Planning Process

South Dakota has five planning and development districts, established in 1970, which cover most of South Dakota and whose boundaries were created by the state. They are voluntary associations of governments overseen by local boards – which meet regularly to set policy and provide direction – and by an executive director for carrying out approved policies and implementing annual work programs. The districts provide transportation planning and other services, and also address issues involving government cooperation and coordination. The planning and development districts are supported by local contributions, federal and state contracts, and fees.

The South Dakota Department of Transportation (SDDOT) is divided into four regions, and each is represented by two transportation commissioners who are appointed by the governor. The transportation commission reviews all projects that go into the STIP, and updates to the intermodal long-range plan as needed. The railroad board, aeronautics commission, scenic byways committee, and transportation and coordination task force are also appointed by the governor.

Planners from SDDOT often act as “circuit riders” and assist counties and municipalities to develop transportation plans. Most local governments cannot afford to hire transportation planners.

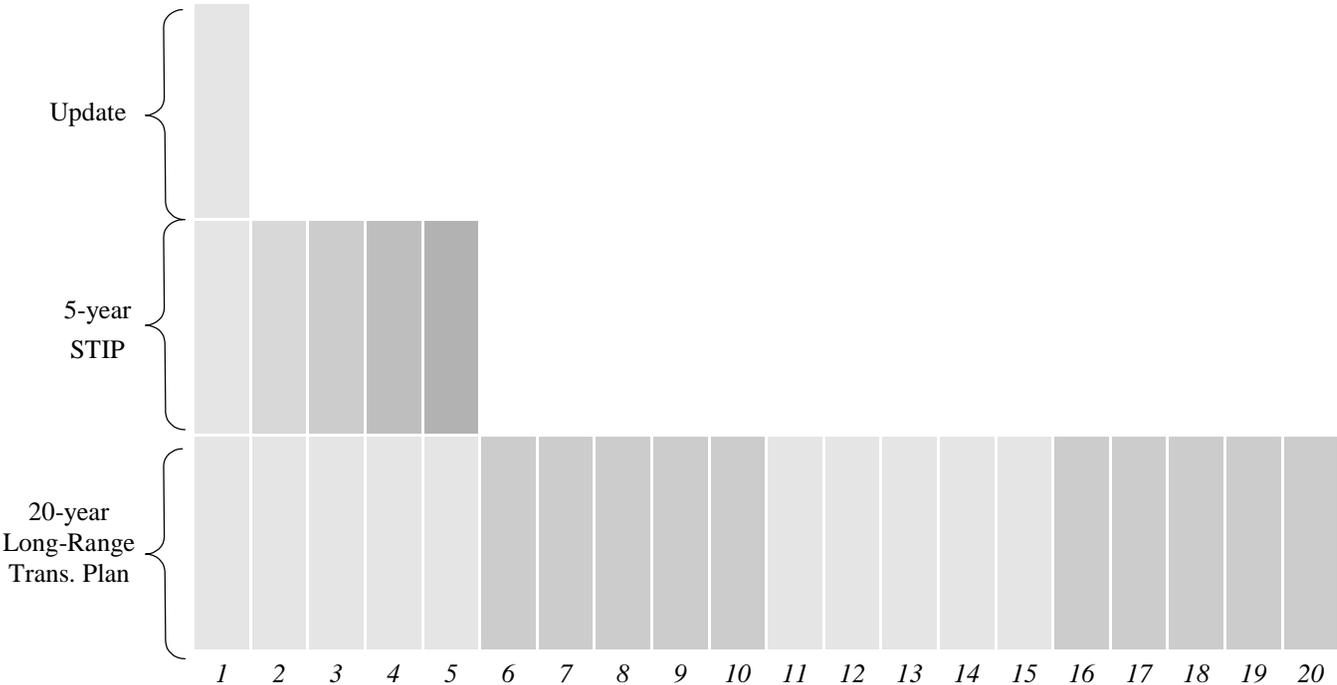
Principal Rural Planning Activities

- Beginning each October, SDDOT meets informally with numerous public input groups – including cities, tribes, planning districts, federal and state agencies, statewide organizations, transportation providers, and freight representatives – to identify issues and needs.
- As part of the yearly budget process, local elected officials identify transportation needs and prioritize projects. Local projects are forwarded to SDDOT and then prioritized on a statewide basis.
- During the spring, SDDOT conducts field evaluations, assesses and ranks statewide needs, and reviews the backlog. The department also updates projects costs and revenue estimates.

- In May, SDDOT reviews funding and meets with the transportation commission about the tentative project list for the five-year STIP.
- In June, draft versions of the STIP and intermodal long-range plan are distributed to public interest groups and local elected officials.
- In July, SDDOT holds meetings with planning districts, tribes, local governments, and various agencies to discuss the project list. Formal public meetings are also held in each SDDOT region to comment on the STIP and long-range plan.
- In August, the public review period closes and the transportation commission reviews the public input.
- In September, the transportation commission incorporates comments into the STIP and gives final approval to it and any long-range plan updates.

Exhibit 5a illustrates South Dakota’s transportation planning process.

Exhibit 5a: Rural Planning Integration in South Dakota



Local Elected Official Involvement

Local elected officials participate in the rural transportation planning process directly and by working with their planning and development district on local and regional efforts. They are also encouraged to provide input on the STIP and long-range plan during regular meetings with SDDOT during the public review period.

5.2 Programming and Funding for Rural Area Decisions

A 3% excise tax on vehicles – about \$40 million annually – and almost \$100 million in gas tax revenue go to the state highway fund. The State of South Dakota receives all of the state highway fund, plus 5% off the top of the license plate fund for the cost of administering the licensing program. Counties then receive 67% of the license plate fees, about \$18 million annually, through an allocation formula. Cities receive 16% of the license plate fees, and townships 17%.

In total, local governments are allocated about 16% of state funding, or \$27 million. However, this share will increase to 21% in the year 2000. Local governments also receive 12% of federal funding, or \$22 million. Federal funds are distributed to counties based on a dual calculation of \$1 per person in cities greater than 5,000 people, plus the formula 1/3 non-urban population, 1/3 land area, and 1/3 road mileage.

When all state and federal revenue sources are combined, including state matches, local jurisdictions have approximately \$869 in funding per road mile. SDDOT replaces federal funds with state money at a 90% exchange rate to make funding more flexible for local jurisdictions.

For public transportation, the state allocates \$300,000 a year to match federal transit funds; it is distributed to transit providers by means of a formula.

5.3 Major Planning Issues

The following major rural planning issues were identified during the workshop.

- Local road conditions are expected to drop 10 to 23 points on a surface condition index scale of 100 at current funding levels, and there is an average shortfall of \$1,420 per mile for local governments to keep up with maintenance needs.

The legislature recently passed a transportation funding bill for \$28.3 million a year increase to maintain county, secondary, township, and city roads at their current conditions. Although the full \$194 million increase to improve local road conditions beyond their current levels did not pass, it will prevent the local systems from deteriorating.

- There is a \$622 million backlog of needs on the state highway system, as well as a significant backlog on the secondary and local systems.

Increased federal funding due to the Transportation Equity Act for the 21st Century (TEA-21), in addition to matching funds provided by the recently passed state funding bill, will enable SDDOT to reduce the state highway system backlog by 50% over the next five years. It will also prevent the local governments' backlog from growing each year.

5.4 Identified Strengths and Weaknesses

The following strengths and weaknesses were identified during the workshop.

Strengths

- There are good channels of communication between SDDOT and local governments, with frequent personal contact. SDDOT also holds informal meetings with input groups throughout the year to supplement the formal communication process.
- SDDOT identifies needs for local governments through technical analysis, to assist with their planning, but does not dictate project solutions.
- SDDOT and the FHWA developed a fundamentals of community transportation planning course, which explains the Intermodal Surface Transportation Efficiency Act (ISTEA) and how transportation planning coordinates with local planning. SDDOT delivers the course to any county or municipality that requests it and has done so several times including to the Bureau of Indian Affairs and the Tribal Technical Assistance Program.
- Local governments can reduce project costs by 20-30% by exchanging their federal funds for state money and forgoing expensive details and regulations.
- Right-of-way is either donated to the county by the landowner, or purchased by the county with special state funds.

Weaknesses

- There is a general resistance to land use planning and zoning, and only 22 of South Dakota's 44 counties have any land use or zoning plans.
- SDDOT develops local, corridor, and statewide plans. Regional transportation planning is conducted infrequently by planning and development districts because it is considered to be a state issue.

- Rural counties have little, if any, planning staff so local project selection and prioritization is not a technically-driven process. Many counties “borrow” planners from the planning and development districts or SDDOT.

5.5 Success Stories

- SDDOT’s process of developing the STIP with local government and public involvement has remained basically the same for 20 years. ISTEA required only minor changes to South Dakota’s existing planning process and public involvement efforts. The process’ longevity, level of participation, balance of needs, and customer satisfaction contribute to its overall success. Hundreds of people attend the department’s four formal hearings on the STIP each year.
- The community access grant program provides \$1.5 million to towns for projects such as reconstructing their main street or fixing a grain elevator. Many towns were settled in the 1920s and 1930s and their infrastructure has deteriorated since then, and small towns were expressing the need for help. The grant program funds about 12 projects each year at up to 60% of the cost.

6.0 Wyoming

Wyoming contains 70,348 lane miles of roads, 65,266 lane miles of which are rural, and 6,533 of these rural miles are on the National Highway System. Sixty-eight percent of rural roads are locally owned. Wyoming’s rural transportation planning process is considered to be top-down.

6.1 The Rural Planning Process

Wyoming has various development districts and rural conservation districts, which focus more on economic planning and do not have formal transportation planning responsibilities or roles. There are also scattered county-level government associations with local planning efforts. The Wyoming Department of Transportation (WyDOT) conducts most transportation planning through its five districts offices. Many municipalities and counties develop comprehensive plans with transportation elements; a WyDOT local government coordinator deals with planning at the county and city level.

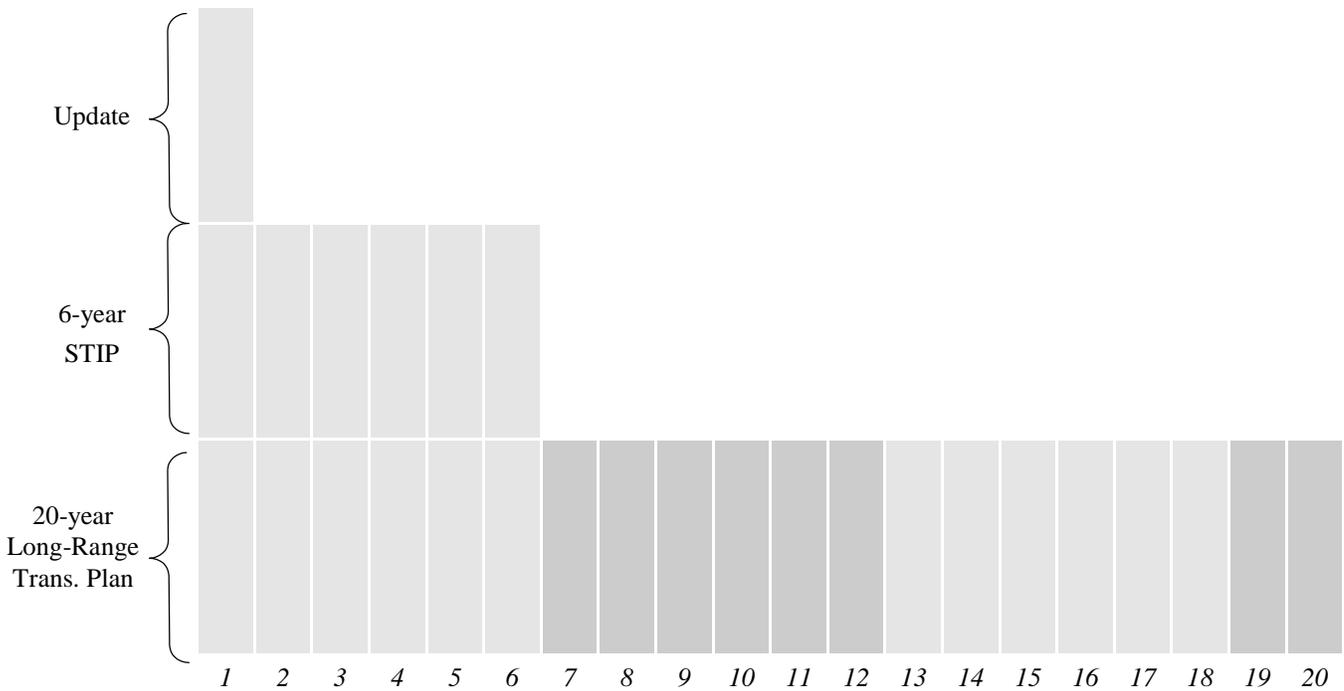
WyDOT’s executive director and four assistant directors, who are appointed by the governor, create the department’s policy. WyDOT works with a transportation commission, whose nine members are appointed by the governor and approved by the senate. Each county within a transportation commission district is represented, in turn, by successive six-year appointments. State law requires that the minority party be represented on the commission. The transportation commission assists in project selection and approves the STIP.

Principal Rural Planning Activities

- Counties and local governments develop plans with public input, and submit them to the city/town council or board of county commissioners for approval.
- Counties apply for funds from the state/county program by prioritizing their projects and submitting them to WyDOT. The transportation commission selects these projects, and funding is allocated by road miles, population, and other factors.
- Counties apply for funds from the enhancement off-system and on-system programs. District engineers select the projects for off-system funding, and a five-member WyDOT committee evaluates applications for on-system enhancements.
- WyDOT district engineers meet regularly to coordinate plans and assist with development of the six-year STIP. The district engineers and local government coordinator also assist WyDOT in holding public hearings to solicit input.
- The transportation commission makes final project decisions and approves the STIP, and develops policy for the long-range plan.

Exhibit 6a illustrates Wyoming’s transportation planning process.

Exhibit 6a: Rural Planning Integration in Wyoming



Local Elected Official Involvement

Local elected officials may participate in the rural transportation planning process by developing plans for their jurisdiction. Local officials may also petition WyDOT and the legislature for special needs and funding, such as transit. County commissioners oversee the prioritization of projects for their counties and lobby for their needs to be included in the STIP. Commissioners are the primary local contact with WyDOT.

The Wyoming Association of Municipalities and the Wyoming County Commissioners Association enable local elected officials to communicate with the transportation commission and to serve on transportation committees.

6.2 Programming and Funding for Rural Area Decisions

Counties receive 16% of state gas tax revenue for maintenance and 1-2% of property taxes for roads and bridges. The state/county road fund for counties provides \$8-10 million annually for construction/reconstruction projects on a competitive and formula basis. They may also apply for enhancement funds. Counties receive a nominal amount of federal funding. Other funding resources available to rural regions are listed in the following:

- *Mineral Royalty Grants.* This funding is for eligible streets, roads, and bridges for 50% of the project cost, and is approved by the State Loan and Investment Board. Mineral royalty loans are also available and often provided with grants.
- *Abandoned Mine Lands Grants.* This funding is for projects that have a direct or indirect relationship with mining, and covers 50% of the project cost.
- *Industrial Road Program.* This funding is for the construction of roads to employment centers – such as coal mines or industrial plants – and is administered by WyDOT.
- *Community Development Block Grants.* This funding can be used for projects with local economic development aspects, and is administered by the State Business Council.
- *Off-System Bridges.* This federal funding is for the replacement or rehabilitation of off-system bridges, and is matched locally. WyDOT reserves 35% of all bridge funding for this program.
- *Wyoming Public Transit Program.* This program provides \$1.5 million annually to supplement FTA funds for rural and urban systems.
- *Wyoming Transportation Enterprise Fund.* This program provides \$3 million for grants covering up to 70% of the cost of public transit vehicles, and is administered by the State Loan and Investment Board under guidance from WyDOT. The remaining 30% of project cost can be a combination of state or local matches.
- *Local Improvement Districts.* This program creates local taxing districts for capital improvement projects.

Counties can also initiate a set-term 1% local option sales tax, a project-specific facility tax, and property tax bonds for general transportation purposes, and a ½ mill levy for public transportation.

6.3 Major Planning Issues

The following major rural planning issues were identified during the workshop.

- WyDOT has a large backlog of state-funded projects.

Many counties have criticized how WyDOT has handled projects and the engineering costs that are incurred. The counties successfully petitioned the legislature to receive direct distribution of state funds so that they can control project implementation in place of WyDOT. After January 1, 2000, counties will be transferred the administrative role for the state/county construction program.

- Rural counties believe that the construction standards WyDOT enforces when it manages rural projects are unnecessarily stringent for low-volume roads, often turning improvement projects into all-or-nothing situations.

The governor is appointing a roads standards committee to deal with this “very contentious” issue and look at alternate standards for low-volume roads. Many engineers feel that the American Association of State Highway and Transportation Officials (AASHTO) standards are oriented for the eastern United States and do not sufficiently consider ultra low-volume roads of 10 cars a day.

- Industries often build roads and then leave them for WyDOT to maintain.

Roads that were built to access remote mineral mines or missile silos are deteriorating, and counties must find funds to maintain them. In addition, railroads – which own 20 miles of right-of-way on each side of the tracks – are selling large lots of land that are not subject to subdivision laws. WyDOT has started to hold meetings with counties, cities, the Bureau of Land Management, and developers to address this issue.

6.4 Identified Strengths and Weaknesses

The following strengths and weaknesses were identified during the workshop.

Strengths

- The WyDOT local government coordinator keeps counties and cities apprised of their planning and funding opportunities, and interfaces between local and state governments.
- All 23 counties have transit programs, and drivers are required to go through a training program. The statewide transit association is the second most powerful lobby group in the legislature.

Weaknesses

- Despite being reorganized in 1982, WyDOT is primarily a highway entity and there is little integration with other modes.
- At times political factors play into transportation planning, as the WyDOT director, assistant directors, and transportation commission are appointed by the governor.
- Many environmental activists and seasonal residents with vacation homes make it very expensive – if not impossible – to acquire their right-of-way.

- The sudden mineral commodity switch from trains to trucks has caused much road failure, with WyDOT struggling to keep up maintenance for the vast system.

6.5 Success Stories

Wyoming's transit programs are the result of voluntary, grassroots efforts. Although there is no state requirement for transit planning or programming, an effective transit association and lobby group have secured state funding for public transportation purposes and ensured that all counties have regular transit services. Transit planning is done differently in each area of the state to best suit that region's needs.

7.0 Workshop Findings and Conclusions

7.1 Similarities

Consensus was reached by the Montana workshop participants in many areas, most notably regarding public involvement, project development, and commodities. These similarities are listed below.

- Existing processes in most states provide good opportunity for input into project selection, and citizens do offer input on transportation planning issues.
- Enhanced coordination, cooperation, and complimentary missions between federal agencies would greatly improve local planning efforts and conserve resources.
- Substantive processes and state statutes pass through state and federal funds for federal-aid roads under local jurisdiction.
- States attending the workshop are “hyper-rural” and have the lowest populations per square mile, and per road mile, of all the contiguous states. They also have some of the highest percentages of rural vehicle miles of travel.
- Only four counties in all the five states meet or exceed the national population density average of 76 people per square mile. Fifty-seven “frontier” counties have two or fewer people per square mile.
- Low population “frontier” counties generally contract for planning services on an as-needed basis and have little, if any, transportation planning expertise.
- Rural planning organizations generally have an advisory role and assist local governments in their planning efforts; they are not assigned formal duties by the department of transportation.
- Consolidated grain elevators and fewer freight train routes adversely impact rural roads and railroad crossings through small towns. The state must also contend with increased trucking traffic as a result of NAFTA.
- Federal land management practices often severely hurt rural local roads.
- The states are fairly diverse in their geography and economy, with distinct geographic and economic regions to be addressed in the planning process.

7.2 Differences

Differences between the states were also noted, which tended to center on governmental organization and the programming process. These differences are listed below:

- States vary from taking a top-down approach to rural planning – like Wyoming, where the department makes most planning decisions – to states that have a more bottom-up approach, such as South Dakota.
- The number of separate entities that the department of transportation must deal with for planning varies greatly. ITD interfaces with almost 300 organizations during its planning process, while WyDOT works with a handful of agencies.
- States such as Wyoming, Idaho, and Montana must deal with seasonal residents and high-volume recreation areas, while in North and South Dakota the population is migrating toward urban areas and resides almost completely in the eastern part of the state.

Attachment A. Participants

Montana Workshop

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Idaho Public Transportation Advisory Council

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FINAL DRAFT

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Dick Turner
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Transportation Planning Division
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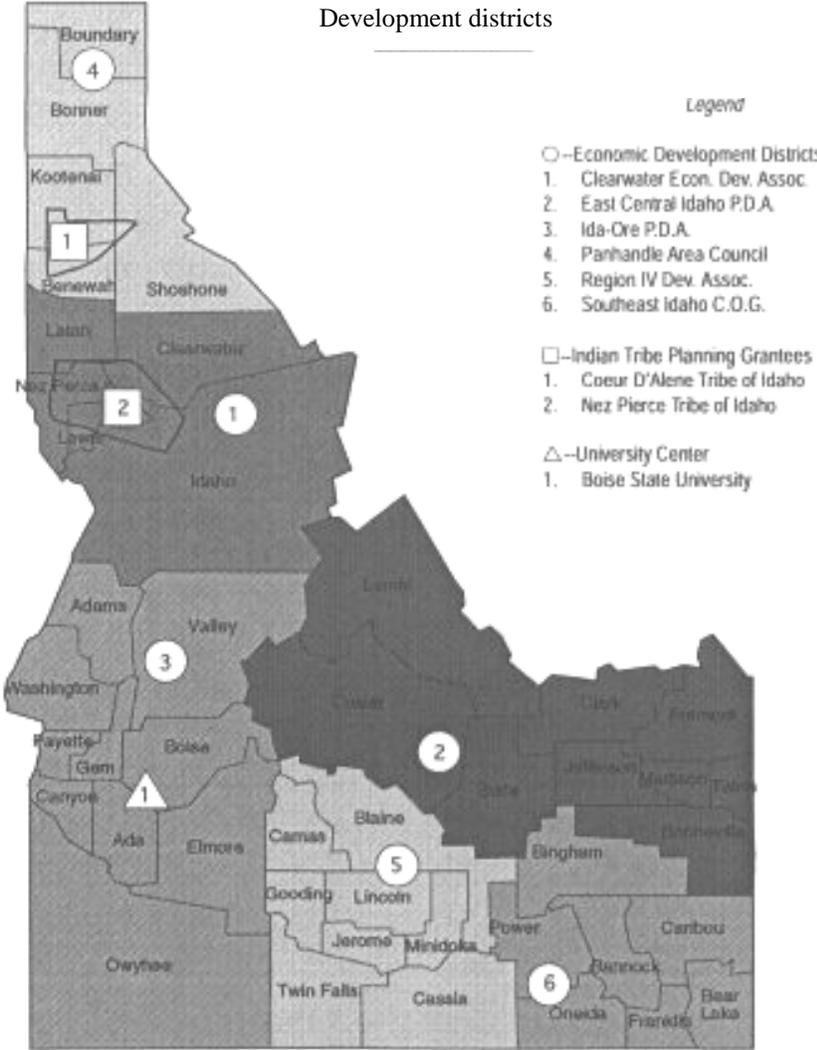
Bob Walton
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Attachment B. Maps

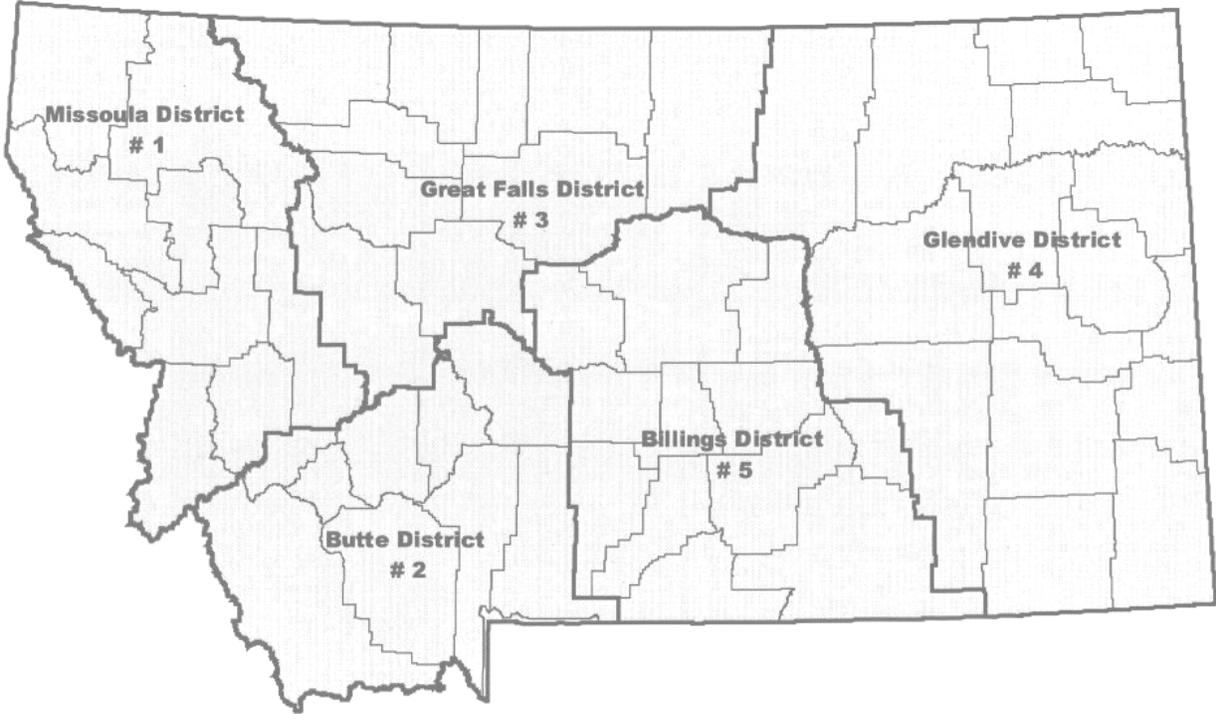
Idaho



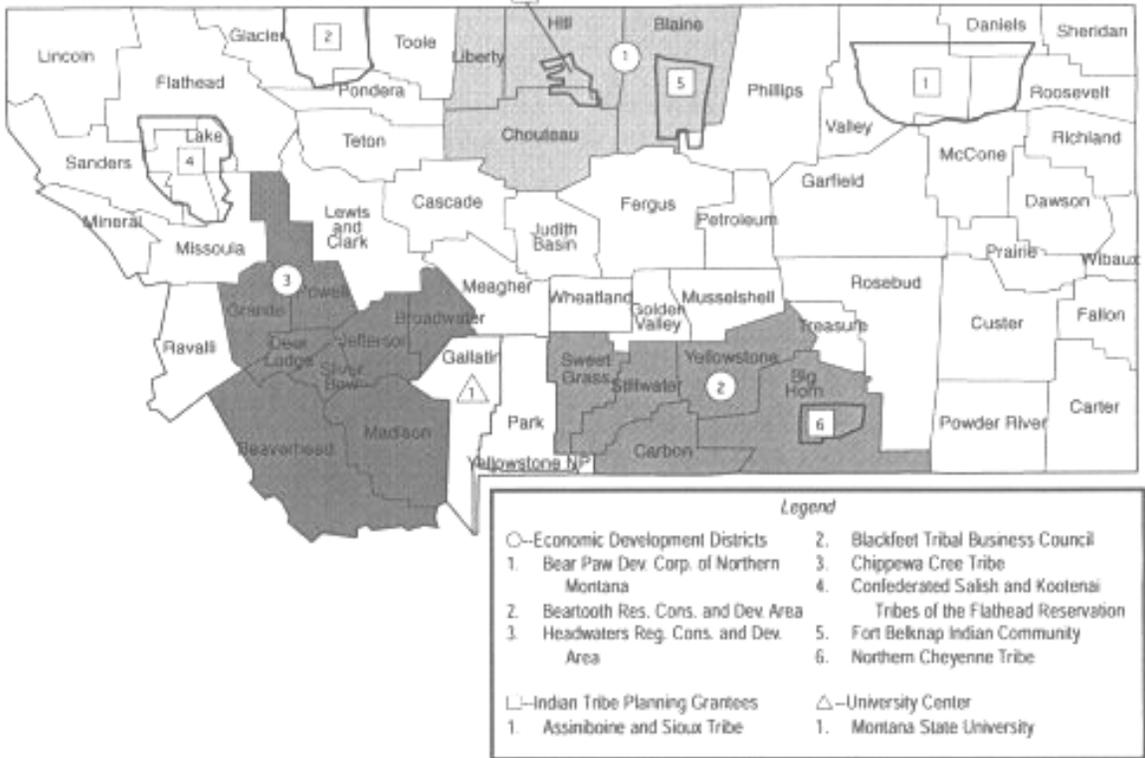


Montana

DOT districts



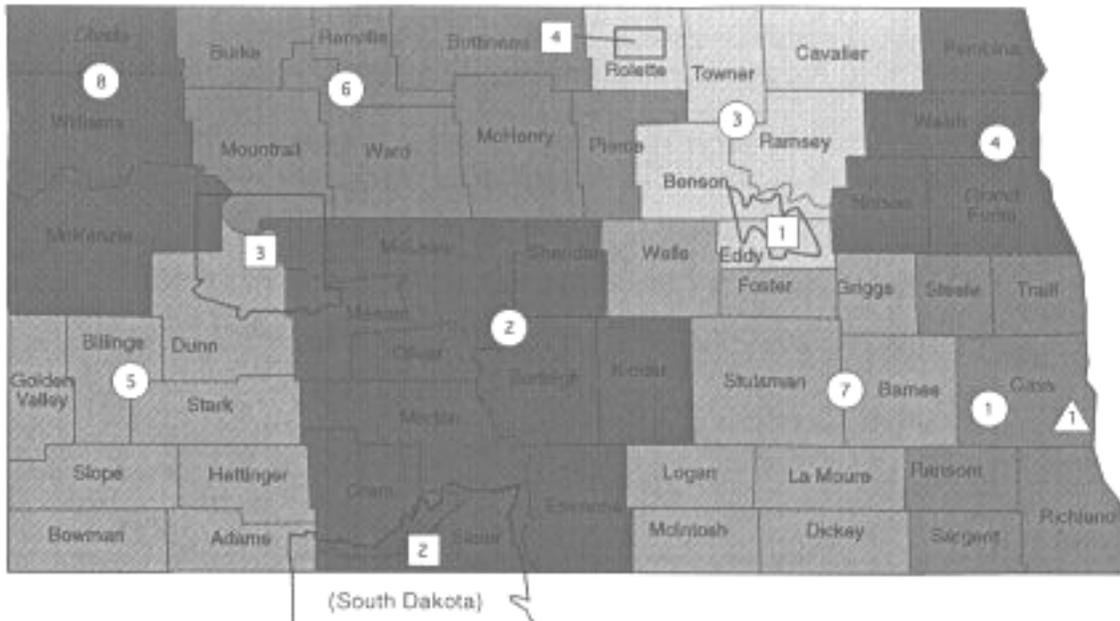
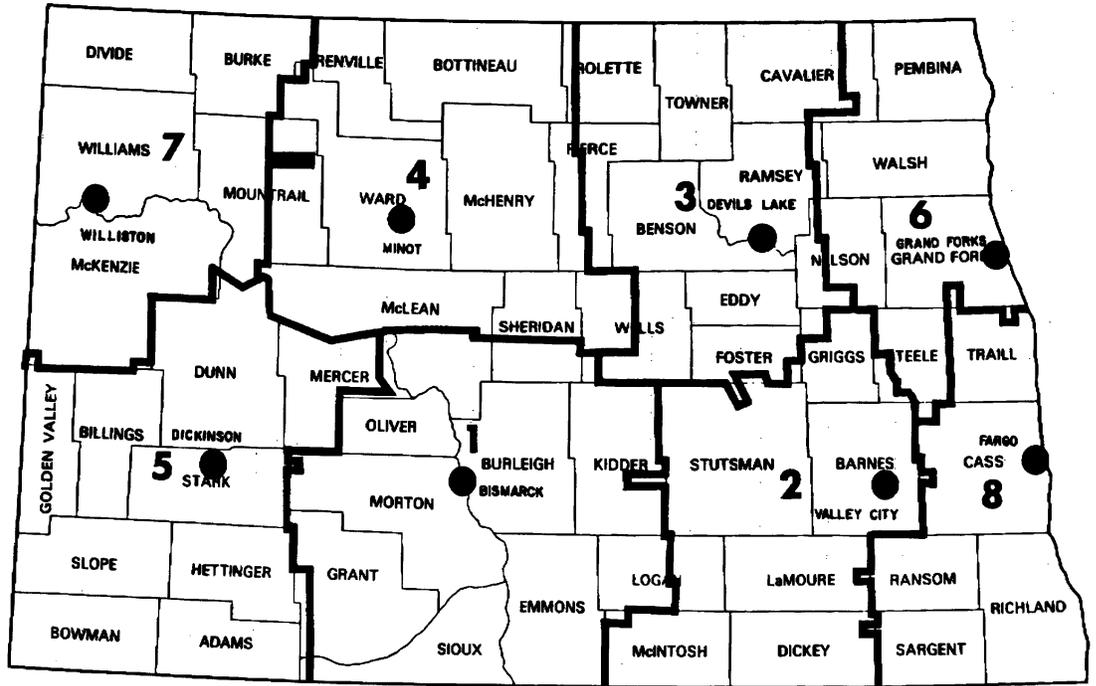
Development organizations



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North Dakota

DOT districts

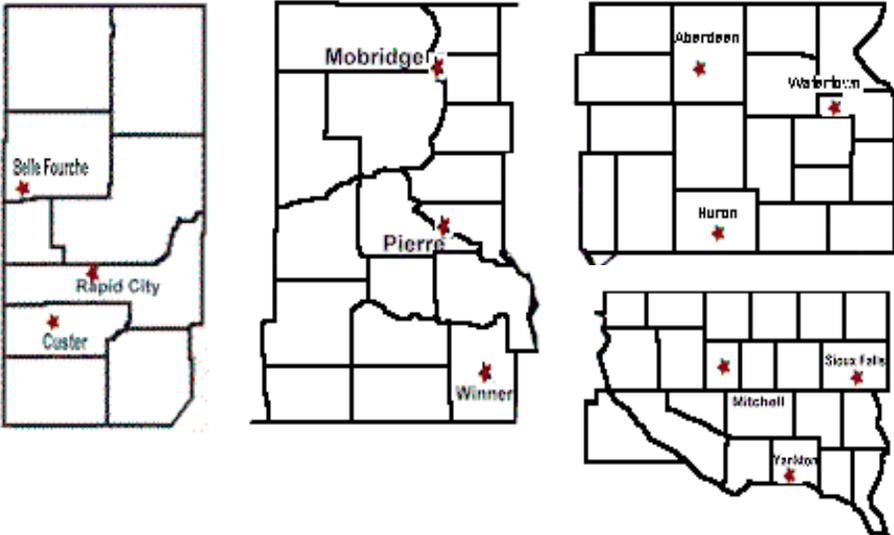


Economic development organizations

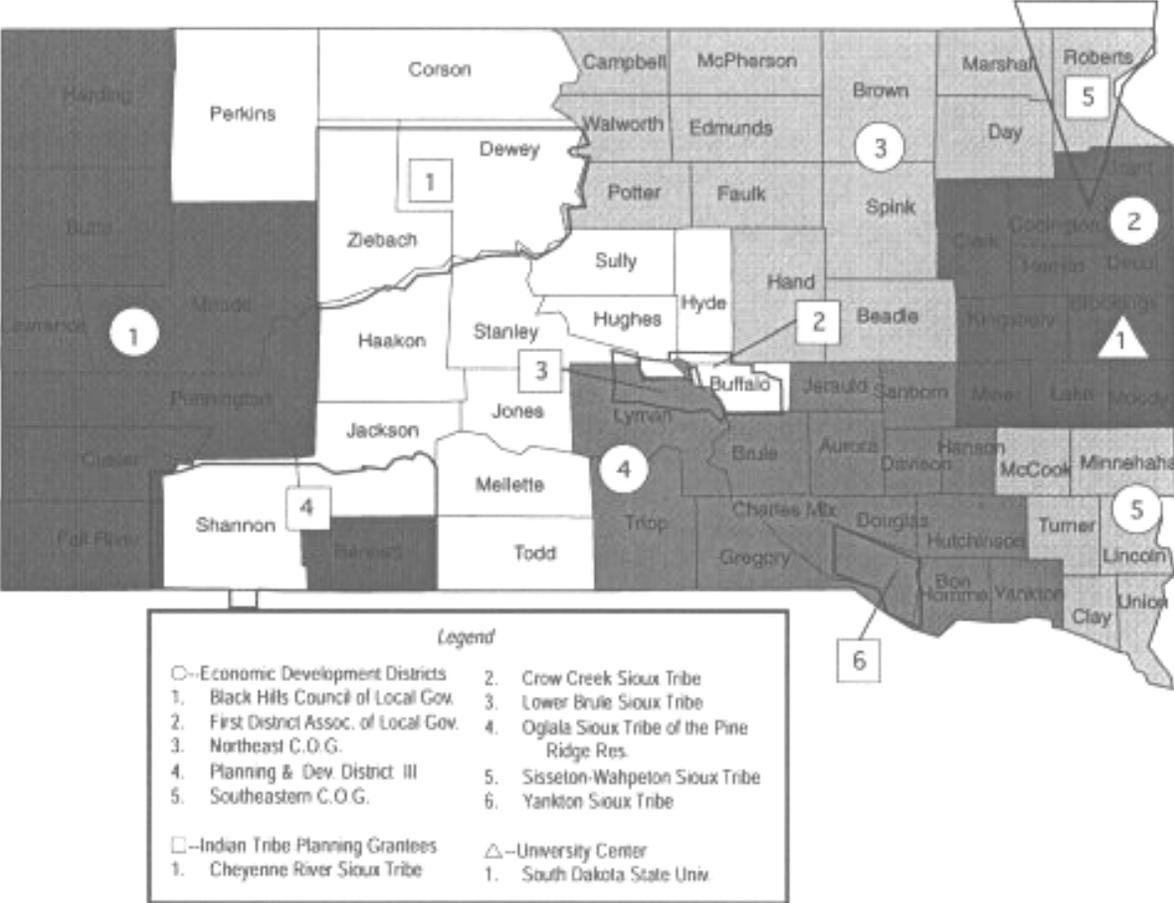
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|---|---|
| <p>○—Economic Development Districts</p> <ol style="list-style-type: none"> 1. Lake Agassiz Reg. Dev. Corp. 2. Lewis and Clark E.D.D. 3. North Central Planning Commission 4. Red River R.P.C. 5. Roosevelt-Custer Reg. Coun. for Dev. 6. Souris Basin Planning Council 7. South Central Dakota Regional Council 8. Tri-County Reg. Dev. Council | <p>□—Indian Tribe Planning Grantees</p> <ol style="list-style-type: none"> 1. Spirit Lake Sioux Tribe 2. Standing Rock Sioux Tribe 3. Three Affiliated Tribes 4. Turtle Mountain Band of Chippewa Indian <p>△—University Center</p> <ol style="list-style-type: none"> 1. North Dakota State Univ. |
|---|---|

South Dakota

DOT districts



Development districts



Wyoming

DOT districts

