

MEMORANDUM

To: Policy Working Group – Highway Simplification Study

From: Bruce Van Note, MaineDOT
Kate Dufour, Maine Municipal Association

Date: November 12, 2009

Re: **Study Team, Background and First Meeting on November 20, 2009**

Thank you for agreeing to serve on the 15-member Policy Working Group of the “highway system classification simplification study”, more simply known as the “Simplification Study”. The purpose of this memo is to jointly announce the team members, provide background information, and set the stage for our first meeting. That meeting is scheduled for **November 20, 2009 from 9:00 A.M. to 2:00 P.M.** Lunch will be provided. Because of construction activity at MMA, this meeting will be held in Room 216 (the main ground-floor conference room) at MaineDOT headquarters on Capitol Street in Augusta. It’s a two-tone green building toward the Kennebec River from the State House across from the park. (The team will decide on the location of future meetings.)

The Team

The membership of this team, which was determined through a collaborative process of between MMA and MaineDOT, listed alphabetically, is as follows.

Elwood Beal	Lisbon Public Works Director
Michelle Beal	Ellsworth City Manager
Bob Belz	Auburn Public Works Director
David Bernhardt	MaineDOT Maintenance and Operations Director
David Cole	Gorham Town Manager
Clint Deschene	Hermon Town Manager
Greg Dore	Skowhegan Public Works Director
Richard Freethey	Brooklin Selectman
Jim Hanley	Pike Industries
John Johnson	Jay Public Works Director
Rob Kenerson	BACTS
Galen Larrabee	Knox Selectman
Ryan Pelletier	St. Agatha Town Manager
John Sylvester	Alfred Selectman
Bruce Van Note	MaineDOT Deputy Commissioner

As you can see, this is a diverse and capable team. MMA selected eight members and MaineDOT selected seven. Twelve members are or serve municipal officials and two members work for MaineDOT. There are four town (or city) managers, four public works directors, three

selectman, and at least three engineers. There are representatives from MMA, the Maine Better Transportation Association, the Maine Chapter of the American Public Works Association, Associated General Contractors, and regional Metropolitan Planning Organizations. There is good rural/urban and geographic distribution. More importantly, all members have indicated that they will be active, open-minded, and have a problem solving attitude. MaineDOT and MMA staff will also attend meetings to provide support.

Study Purpose, Topics and Process

To refresh your recollection, this study was required by the Maine Legislature as part of the Highway Fund budget passed last June. (For legislative findings used by the Transportation Committee and the legislative study language, see attached Appendix A.) As you will see, the **purpose of the study** is to review the current systems for classification of public highways and related responsibilities to determine whether they should be simplified in ways that improve customer service, improve investment decisions, apply standards appropriate to the road, leverage the ability to deliver improvements at a lower cost, and generally result in the most overall benefit to the most travelers for each dollar spent.

Per the legislation, **study topics** will include whether the State and federal highway classification systems should be reduced to one or otherwise simplified, whether we should transition to a system like other states in which the State and local governments would each have full year-round responsibilities for differing classifications of highways, urban and rural classification systems and related responsibilities, design and construction standards, assessment of transition impacts, fiscal matters including possible adjustments to the Urban-Rural Initiative Program, route numbering and signage, and related matters.

Regarding **study process and roles**, the memo from Kate Dufour dated October 2, 2009, attached as Appendix B, provides a good description. As you will see, there is a 50+ member Sounding Board, and it is anticipated that there will be subcommittees on urban issues, standards, costs, route numbering, classification process, etc. The Sounding Board met on October 15, 2009. Though there was understandable trepidation, it went well and we agreed to work together. Depending upon how things proceed, the Policy Working Group process could take anywhere between 2 and 10 months. We expect to have two meetings a month. If the group is constructive and working toward solutions, MaineDOT will seek a time extension from the January 15, 2010 report-back deadline set forth in the legislation.

An **Agenda for the first meeting** will be sent soon. Suggestions are welcome. Tentative topics include welcome and introductions, administrative matters (minutes, etc), study purpose and scope, subcommittees, history of road responsibilities in Maine, highway funding in Maine – state and local, and scheduling of future meetings.

Thank you again for agreeing to work on this team. We all know transportation is fundamental, and that we need to work together for the good of Maine travelers. See you on Friday, November 20th at 9:00 A.M. at MaineDOT in Augusta.

Simplification Study

Legislative Findings Used By the Committee
(But Not Included in LD 333 Due to Legislative Staff Drafting Guidelines)

The Legislature finds as follows.

1. The current systems for classification of the approximately 23,000 miles of public highways in Maine, and the related roles and responsibilities of different levels of government, are often complex, redundant, and confusing.
2. There exists a federal functional classification system that determines the function served by the road and eligibility for federal funding. Classifications in this system include interstate, arterials, major collectors, minor collectors, and local highways. Over 80% of the vehicle miles travelled statewide occurs on the approximately 6,200 miles of highways that are federally classified as major collectors or higher.
3. There also exists a separate state jurisdictional classification system that classifies roads as state highways, state aid highways, and town ways. This classification, in part, determines what level of government is responsible for winter maintenance, summer maintenance, and capital improvements.
4. There are also separate definitions of applicable to urban areas: federal urbanized areas, state urban compacts, federal Metropolitan Planning Organization areas, and state winter compacts. A given municipality may have two or more different urban boundaries or a municipality may qualify as “urban” under one set of criteria but not the other. Associated responsibilities for highway capital and maintenance are frequently unclear and confusing.
5. Consequently, these classification systems often cause inefficient or ineffective infrastructure decisions, poor customer service, and costs shifts between levels of government. For instance, the State may not pave a road for which a municipality has winter maintenance responsibility, causing deeper wheel ruts, resulting in additional municipal costs for extra plowing and salting to clear the ice in the ruts. On the other hand, a municipality may decide to use sand in the winter, causing the ditches to fill with sand, resulting in additional state costs due to accelerated pavement damage, ditching needs, or worse, a complete rebuild due to a spring blow out caused by clogged culverts.
6. Route numbering is unclear and redundant, with some state numbered routes being primarily a local responsibility, and some unnumbered routes being primarily a state responsibility. Travelers are justifiably confused when navigating or considering whom to contact with a concern.
7. Municipalities report that they can repair and maintain roads for lower unit costs than the State by, among other things, applying their own design and work standards.
8. The State is generally in a better position to satisfy the complex Federal standards and processes that are associated with federal funding.

9. In general, the state should be responsible for roads with state and regional significance and bridges, and local governments should be responsible for roads of local significance and related minor spans.
10. Lagging Highway Fund revenue and increased cost of construction mean that highway related funding will be inadequate to meet documented needs for years to come. For example, the proposed capital cash portion of the proposed state highway fund budget is nearing zero. The capital cash funding in the state highway fund budget for municipal use has fallen to about \$45 million. Local governments will continue to need state financial assistance to take care of their highway related responsibilities.
11. State and local governments need to work together to design and implement a highway system with related responsibilities that generally results in the most overall benefit to the most travelers for each dollar spent.
12. The current systems of classification, related responsibilities, and funding are unsustainable. Change appears needed. Any such changes need to be designed and implemented in a fair, open, predicable, and gradual manner over time so as to minimize traveler disruption and budget impacts.

P.L. 2009, Chapter 413 (LD 333)

The Highway Fund Budget for FY10-FY11

PART T

Sec. T-1. Highway system classification simplification study. The Department of Transportation, referred to in this section as "the department," working in cooperation with representatives of the Maine Municipal Association, the Maine Chapter of the American Public Works Association, the Maine Better Transportation Association, the Associated General Contractors of Maine and the American Council of Engineering Companies of Maine shall study the current systems for classification of public highways and related responsibilities to determine whether they can or should be simplified in ways that improve customer service, improve investment decisions, apply standards appropriate to the road, leverage the ability to deliver improvements at a lower cost and generally result in the most overall benefit to the most travelers for each dollar spent.

In conducting the study the department shall analyze the following issues:

1. Whether the State and federal highway classification systems can and should be reduced to one, or otherwise simplified;
2. Whether the State should transition over time to a system as used in other states in which the State would have full year-round responsibilities, including capital responsibilities and winter and summer maintenance of certain highways and minor spans, and local governments would have full year-round responsibilities, including capital responsibilities and winter and summer maintenance of other highways and related minor spans;
3. Whether urban and rural classification systems and related responsibilities can or should

be simplified to ensure that sections of highway with similar urban development patterns are treated equally with respect to capital and maintenance responsibilities. This analysis may include whether to create 2 systems of urban classification with a common definition that reflects both federal criteria and sustained density of development, regardless of population or town boundaries;

4. The design and construction standards and processes that should apply to each road classification;

5. An assessment of transition impacts, including the cost and time required to bring highways to a consistent and appropriate standard prior to the shift to full year-round responsibilities, operational estimates for both the department and local government including equipment needs and the potential assignment of existing snow removal contracts;

6. Other fiscal matters including possible adjustments to the Urban-Rural Initiative Program or other revenue sharing opportunities, possible adjustments to the Rural Road Initiative, innovative financing tools for local governments such as expanded use of the TransCap Trust Fund at the Maine Municipal Bond Bank or the state infrastructure bank and incentives for coordinated corridor based highway improvements involving multiple municipalities and other possible regionalization incentives;

7. Whether route numbering or signs, or both, should be revised so as to improve customer service;

8. Related administrative matters, including a fair and open mechanism to request, change and appeal decisions to reclassify highways; and

9. Related issues.

Sec. T-2. Report. The Department of Transportation shall report the results of the study under section 1 to the Joint Standing Committee on Transportation by January 15, 2010. The Joint Standing Committee on Transportation is authorized to submit legislation during the Second Regular Session of the 124th Legislature.

APPENDIX B

To: Municipal Officials Interested in the Highway Simplification Study
Legislative Policy Committee
Maine Service Centers Coalition

From: Kate Dufour, Maine Municipal Association Staff
Richard Trahey, Maine Service Centers Coalition Staff

Date: October 2, 2009

Re: Rumors and Meeting Date (October 15, 2009)

On Tuesday, September 29th, MMA's Kate Dufour had the opportunity to meet with Department of Transportation (DOT) Deputy Commissioner, Bruce Van Note, to discuss two issues: 1) the circulating suggestions that DOT is in the process of shifting all responsibilities over state aid roads to municipalities and eliminating the funding for the local road assistance program, known as Urban/Rural Initiative Program (URIP); and 2) the scheduling of the first meeting of the Highway System Simplification Study Group established by the Maine Legislature in the last session. (The section of the law creating the study as well as the findings used by the Transportation Committee to establish the study is attached to this e-mail.)

Rumors. At this point, the Department wants to clarify that the suggestion that DOT is in the process of designing a plan to unilaterally "turn back" all state aid roads to municipalities is not true. According to the Deputy Commissioner, nothing will happen without MMA and other policy stakeholders being fully involved and until the Legislature acts on a recommendation.

First, the Department has not designed such a plan. Bruce explained that he had discussed with his maintenance staff the need to simplify the current classification system, which includes state highway, state aid (i.e., minor and major collectors) and local roads. During those discussions it was theorized that one possible way to make the existing system easier to comprehend and administer would be to reclassify all of Maine's roads under the federal classification system, which includes interstate, arterial, major collector, minor collector and local roads.

Classification is one thing, assignment of responsibility is another.

During these discussions Bruce also discussed the possibility of the state being responsible for major collector roads and municipalities responsible for minor collector roads. Each level of government would be responsible for all year-round (i.e., summer and winter) maintenance and repair of these roads. To put this proposal into context, there are 2,132 miles of minor collector roads and 2,146 miles of major collector roads in Maine. Under existing law, generally, these state aid roads are maintained by the state in the summer and by the municipality

in the winter. State aid roads in urban compact areas are maintained by the municipalities year-round.

The Department claims that it has put this idea on the table only as a “what if” to prepare DOT crews for the possibility of the added work of plowing all major collector road miles. As a result of those discussions, however, rumors have been circulating that the state will be turning back all state aid roads to municipalities. In response to those rumors, the Department now wants to make it clear to all municipal officials that the state does not have a predesigned plan, would not implement such a plan without discussing details with the municipal community, and would not under any circumstance move forward with a plan that would be implemented overnight and shift poorly constructed state aid roads to municipalities.

To act on that information, the Department is expressing an interest in establishing a partnership with municipal officials in order to design a plan to simplify the existing state aid road system. In addition, the funding for the local road assistance program is not in jeopardy. In fact, Bruce said that he is committed to making the program better for municipalities. For example, he is willing to work on a proposal to eliminate the “strings” associated with the existing program that require that all state aid for local road funds be used for capital improvements, rather than on equipment and materials, such as sand and salt.

In a nutshell, everything is on the table for discussion and negotiation.

First Meeting. As a result of that discussion, we have scheduled a meeting of all interested municipal officials, DOT representatives and other stakeholders for Thursday, October 15th from 9:30 to 12:00. The meeting will occur in Augusta, but the location has not yet been determined.

The purpose of the meeting is to provide background information on why some people believe the study is needed, answer questions, gauge municipal interest and explain how the study process will work. If municipal officials are satisfied with the existing process and are not interested in moving forward with the discussions, the group will not be reconvened. If municipal officials do not believe a change is necessary, the Department will move forward with designing an alternative proposal to meet their legislative charge.

That being said, MMA staff want to stress that municipal officials should not feel as though they have no other choice but to participate in the process. If they believe that there is no need to change the existing system, then MMA staff will have no problems or reservations representing that decision before the state Legislature.

If there is interest in moving forward, over the next several months interested municipal officials will be asked to play one of two roles: 1) to be a member of the larger Simplification Sounding Board; or 2) to be a member of the smaller Policy Work Group.

Sounding Board. The 50+ member Sounding Board will be responsible for providing feedback, information, suggestions and ideas to the Policy Work Group. Members of the Board will be represented by interested municipal officials, members of the Legislature’s

Transportation Committee and others who have expressed an interest in this study. It is anticipated that the Board will meet up to four times over the next twelve months. The Sounding Board will be asked to respond to surveys and provide comments and suggestions on proposals as they are developed by the Policy Work Group.

Policy Work Group. A smaller group of 10-15 people including municipal officials, DOT staff and other policy stakeholders named in the study language will form the Policy Working Group. The Group will be responsible for designing the details of a new state/municipal road classification system, identify which level of government has responsibility for which classification and related roles and responsibilities and devising possible implementing legislation. The Group will take into consideration and incorporate the comments, concerns and suggestions of the Sounding Board. Group members can expect to meet up to twice per month for several months, perhaps up to a year if needed. The Group will be responsible for establishing technical subcommittees to work on issues such as standards, project operations and cost impacts, etc.

We are seeking up to nine municipal officials to volunteer to serve on the Policy Work Group. If more than nine municipal officials indicate an interest in serving on the Policy Work Group, then staff from MMA and the Maine Service Center Coalition will present recommendations to MMA's Executive Committee for appointment to the Group. When making a recommendation to the Executive Committee, staff will make sure that three key components are used to determine the nine municipal members: 1) the municipality's population; 2) geography; and 3) a mix of public works experience and elected officers or municipal management.

As MMA's representative to the effort, Kate Dufour will provide staff level assistance to the Policy Work Group and coordinate communication efforts between the Policy Work Group, Sounding Board and MMA's Legislative Policy Committee (LPC). As you know, MMA's support of the final product will be contingent on its LPC's position on the matter. That being said, throughout this process Kate's priority will be to ensure that members of Policy Work Group, Sounding Board, LPC and any other interested parties get the information and assistance they need to move the process forward.

We look forward to seeing you on Thursday, October 15th. In order to find the right location for this meeting, it would be most appreciated if you could let Kate know by *Tuesday, October 13th* if you will be attending the meeting. Also, at that meeting we will be asking for volunteers to serve on the Sounding Board and Policy Work Group, so please starting thinking about whether or not you could make the required time commitments. It is likely that all Sounding Board and Policy Work Group meetings will be convened in the Augusta area.

Thank you for your time and consideration of this important issue. If you have any questions about this process or hear any other rumors, please feel free to contact Kate at kdufour@memun.org or 1-800-452-8786.