

**MDT Responses to Questions Asked by the General Government
 and Transportation Subcommittee**
 January 10, 2005

General Operations

- DP 103 - a breakdown of the OTO amounts in the request

	FY 2006	FY 2007
Maintenance Requirements	706,000	776,600
Available for Enhancements (OTO)	189,491	118,891
Total ACS Request	895,491	895,491
actual base expenditures*	662,660	662,660
DP requested amount	232,831	232,831

* Base year expenditures are Maintenance costs only. No enhancements were funded in the base.
 ** The current maintenance agreement of \$706,000 exceeds base year expenditures by \$43,340 because "Preview" was not implemented for the full year.
 *** The ACS maintenance contract is a 5 year contract ending in August of 2006. We are anticipating a 20% increase in the maintenance contract costs.
 **** The annual maintenance costs for FY2007 are estimated to be \$776,600 an increase of 20% to the existing contract costs for 11 months.

- **DBE Program**
 - How much is the DBE program?
 The DBE Program currently consists of two parts:
 - DBE Certification/Compliance Program, consisting of approximately \$47,000 in Highway State Special Revenue
 - DBE Supportive Services Program, consisting of \$100,000 in Federal Special Revenue
 - What are the requirements to be a DBE business?
 Any minority/female owned business can apply to become certified as a DBE. Certification requires the minority or female to be:
 - at least 51% owner of the company,
 - is active in the company on a daily basis,
 - and meets personal net worth guidelines of less than \$750,000

The certification process includes a review of the company's tax documents for the previous 3 years, verification of banking information, an initial on-site visit to the company's office by the MDT Program Manager to verify accuracy of information and clear up any questions that exist. If the company is deemed to be certifiable under the regulations, they are issued a notice of certification. This certification must be renewed annually on the company's anniversary date. The renewal procedures are a considerably modified version of the initial certification process and the MDT verification on-site visits are conducted every third year.
 - Why does it exist and what is it?
 MDT is required by federal statute to maintain a DBE program to give minority and female owned businesses a viable opportunity to compete for federal highway construction funds.
 - How many DBEs have we served?
 The list of certified companies is updated daily and currently consists of 110 businesses, including 74 Montana companies.
 - Do we continue to provide services to the same DBE businesses we may have served and helped start up?
 Each year, several new businesses will be certified and several others will choose not to renew or will fail certification, but the majority are on-going clients of the program.

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- What does the department expect to accomplish with the additional DBE funding (output/outcomes)?

Last year, DBE Supportive Services requested an additional \$115,000 from FHWA for economic development activities that included:

- Providing additional resources and training to Tribal Business Information Centers and Economic Development resource representatives on each of the seven Montana reservations. Sponsoring roundtable meeting between tribes and state and federal resource agencies to develop a partnership in assisting businesses. Provide training to these individuals to learn how to effectively assist businesses and promote economic growth of businesses on reservations. \$65,000*
- Provide e-learning opportunities to DBEs through web-based and electronic medias to provide specific training in such areas of reading plans, certified payrolls, and bidding federal-0aid highway projects. \$25,000*
- Provide more topic-specific training such as negotiating contracts, construction management, construction financial management, highway plans, marketing for small businesses, GSA workshop, BLM/Forest Service/FAA-FTA bidding process workshops, etc. to DBEs. \$15,000*
- Assist DBE companies financially to afford internships for their business for \$10,000. Many opportunities are available to DBE companies for college students to work for their company in providing new ideas and services for business improvement. Student internships may provide marketing plans, business analysis, web page development, computer system analysis, bookkeeping systems, etc. to the DBE companies.*

Construction Program

- Jim Currie said he would provide the asset management goals for the Construction Program

See Attachments

- What is reimbursable on an Indian reservation?

At the State's discretion, all phases (preliminary engineering, right-of-way, utilities, construction, and construction engineering) of eligible federal-aid projects are reimbursable at the rate of 100% federal, per 23 USC, Section 120 (f), which states:

(f) The Secretary is authorized to cooperate with the State transportation departments and with the Department of the Interior in the construction of Federal-aid highways within Indian reservations and national parks and monuments under the jurisdiction of the Department of the Interior and to pay the amount assumed therefore from the funds apportioned in accordance with section 104 of this title to the State wherein the reservations and national parks and monuments are located.

- NP 211 - How much of the request is on going and how much is one time (purchase of the snooper trucks)?

\$1,000,000 of the FY06 request is for the purchase of two snooper trucks. This amount can be designated as one-time-only. The remainder of the decision package is for personal services and fro equipment rental. These costs are on going.

- What are the costs and sources of state match funding for the federal earmark projects in the program?

Project Name	Location Description	Fed Funds Available	State Match	Total	2006 Expenditures	2007 Expenditures	Beyond 2007 Expenditures
Kalispell Bypass (13% State Match)	W of Kalispell	2,940,000	439,310	3,379,310	3,379,310		
S-323 Ekalaka-Alzada	Carter County	2,940,000		2,940,000	2,940,000		
Marysville Road Construction	Marysville Road - NW of Helena	2,940,000		2,940,000	500,000	2,440,000	
US-2 Lohman Rail Crossing (10% State Match)	Near Havre- New Location	980,000	108,889	1,088,889	250,000	500,000	250,000
Billings Bypass	NE of Billings -	5,000,000		5,000,000			5,000,000
Claggett Hill/L& C Ferries (Sec 117)	Fergus County	2,200,000		2,200,000	2,200,000		
Claggett Hill/L& C Ferries (Ferry Disc. - 20% State Match)	Fergus County	1,470,000	367,500	1,837,500	1,837,500		
US-87 Roadway Improvements	Great Falls (?)	500,000		500,000		500,000	
Whitefish Pedestrian/bicycle Trails	Whitefish	191,000		191,000	191,000		
		19,161,000	915,699	20,076,699	11,297,810	3,440,000	5,250,000

Maintenance Program

- How much did the department spend on surveys during the past cycle?
The Construction, Maintenance, and Transportation Planning Programs each conducted surveys totaling approximately \$72,000.
- What surveys are done and could the department do them cheaper (save money) if it did them all at the same time?
Surveys can be combined only to a point. There is a limit on the number of questions and time that a person is willing to commit to a survey. There was also a concern about the timing. Maintenance conducts their survey after winter; Construction prefers to conduct theirs after the construction season; Transportation Planning conducts theirs in conjunction with the planning cycle (FFY).
- How much funding is in the 511 system after DP 313 is added (base and adjustments)?
The Traveler Information base is \$138,213.69 in operations costs. These cost do not include any 511 expenditures that were programmed through the original federal ITS project. The \$80,000, plus the Traveler Information base, will provide a total funding of \$218,213, per year of the biennium, for all Traveler Information activities.