

# OREGON TRANSPORTATION COMMISSION

## Minutes of the Regular Monthly Meeting August 15 – 16, 2007 Pendleton

On Wednesday, August 15, the Oregon Transportation Commission (OTC) and Oregon Department of Transportation (ODOT) staff held a workshop in the Walla Walla Room at the Red Lion Hotel in Pendleton. A no-host social hour and dinner were held that evening in the Cayuse Room.

On Thursday, August 16, at 8:00 a.m., the OTC and ODOT staff held a briefing session and reviewed the agenda in the Yakima Room of the Red Lion Hotel. The regular monthly meeting began at 9:00 a.m. in the Walla Walla Room.

Notice of these meetings was made by press release of local and statewide media circulation throughout the state. Those attending part or all of the meetings included:

Chair Stuart Foster	Transportation Safety Administrator Troy Costales
Commissioner Gail Achterman	Public Transit Administrator Michael Ward
Commissioner Randy Papé	DMV Administrator Lorna Youngs
Commissioner Mike Nelson	Communications Division Admin. Patrick Cooney
Commissioner Janice Wilson	Field Services Manager Paul Mather
Director Matthew Garrett	Region 1 Manager Jason Tell
Chief of Staff Joan Plank	Region 2 Manager Jeff Scheick
Deputy Director for Central Services Mike Marsh	Region 3 Manager Paul Mather
Deputy Director for Highways Doug Tindall	Region 4 Manager Bob Bryant
Trans. Development Administrator Jerri Bohard	Region 5 Manager Monte Grove
Motor Carrier Division Admin. Gregg Dal Ponte	Commission Assistant Kim Jordan

### August 15, 2007

The workshop began at 2:30 p.m.

Deputy Director for Highways Doug Tindall provided background information to the Commission by way of a PowerPoint presentation, and requested its guidance as staff prepares recommendations and options for program funding levels for the 2009-2011 budget, and the 2008-2011 and 2010-2013 Statewide Transportation Improvement Programs. (*Background material and PowerPoint presentation in General Files, Salem.*)

The Commission discussed its ideas on how the department could deal with known and probable funding shortfalls.

- Spend down funding balance
- Reduce modernization program in the 2008-2011 period

- Refocus funds on maintaining the infrastructure
- Cannot lead Oregonians to believe that projects will be delivered when there is no money
- It would be irresponsible to invest our funds in modernization while serious culvert problems exist, the bridge program is being cut back, and there are billions of dollars in bridge issues not addressed by the OTIA III Bridge Delivery program
- Area Commissions on Transportation may need to address the modernization program funding issue
- May need to cut approximately \$360 million from the existing STIP and the 2008-2013 STIP
- Learn how to diversify the agency's funding sources
- Build on alternatives to significant capital investment in order to deliver mobility solutions
- Educate the public on how highways are funded
- Consider showing the amount of gas tax paid at the time fuel is purchased to help the public understand
- There is a disconnect between the ACTs, and AOC and LOC, as well as legislators and other stakeholders
- Take progressive action with the legislature
- Postpone the renovation of the Transportation Building
- There may be lottery or other funds which could be used for the renovation of the Transportation Building instead of transportation funding
- Consider a federal shortfall in looking at what we believe is a shortfall of approximately \$350 million, and look at what that means today and in the future
- The people of Oregon need to know that we do not have the money to meet the needs of the increased population
- New projects will require new funding, the public must understand and if it wants those new projects, the public will need to decide what it is willing to do to meet the future needs
- Not comfortable reducing ending balance to zero (already borrowed for the future with bonding, Oregon has a great potential for natural disasters, and we have to pay back any loans)
- With the assistance of the Legislative Fiscal Office, staff should determine how much of an ending balance the agency should maintain in order to manage the agency
- Determine the amount of the funding shortfall that we need to address now (state only vs. state plus federal)
- Address the \$168 million shortfall now, plus the decision on the ending fund balance, and defer, for about one year, a decision on the shortfall at the federal level (federal highway trust fund)

- There are many uncertainties about where there is potential for additional shortfall beyond the \$168 million (state data center, federal funds, contract settlements in the legislatively adopted budgets, etc.) – perhaps more than \$168 million should be cut in the short-term
- To the extent possible, postpone projects of statewide significance (must continue work on the Columbia River Crossing project)
- In the 2008-2011 STIP, reduce modernization budget by \$162 million
- Spend down the \$100 million ending balance and shift it to the maintenance, preservation and bridge programs
- Reduce the ending fund balance down to an ending figure we can protect
- Reduce modernization program by \$162 million
- Develop analysis and alternatives with the federal funds
- Need to keep some form of ending fund balance, or if absolutely necessary, spend it down on programs that we must
- Develop criteria for how the modernization program will be reduced and on how to make strategic investments on modernization on a regional basis and ask the ACTs to recommend to the OTC where the cuts will be (this could create winners and losers, and politicize the issue)
- If funds are removed from modernization (down to the minimum required by statute) and put toward maintenance and preservation, projects should focus on the biggest benefit to the maximum number of Oregonians for the dollars spent (this could cause inequity among the regions)
- Not in favor of spending modernization funds on right-of-way purchases, planning or engineering for projects that, in the long-term, there is no opportunity to fund
- The current funding trend on the preservation budget exceeds preservation targets on the low volume roads and drops below targets on the statewide, regional and district roads – can funding be cut on low volume roads, fund based on the targets and do not over-fund the low volume areas, make sure highways are classified correctly to maximize the money
- Review and possibly cancel projects that probably will not get constructed in the STIP
- Keeping a \$50 or \$100 million ending funding balance is not inappropriate, but the OTC understands it is irresistible to others – having an ending balance is the difference between cash flow and project funding – but having an ending balance of zero would be irresponsible; the agency must be able to respond to emergencies

The Commission asked staff to prepare scenarios and respond to the specific issues, and provide the information to the members before the annual workshop in October. Staff should assume that those projects with legislative earmarks will not be lost, and that modernization projects that are ready to deliver will remain on target.

The workshop adjourned at 4:30 p.m.

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The dinner program included remarks from Pendleton Mayor Phil Houk and former OTC Chairman Steve Corey. Comments focused on transportation today and areas to focus on in the future. Closing remarks were provided by Oregon Transportation Commission Chair Stuart Foster. The dinner program ended at 8:30 p.m.

**August 16, 2007**

Chair Foster called the meeting to order at 9:15 a.m.

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Director's report highlights:

Erica Harrison is the recipient of this year's Glenn Jackson Scholarship. Erica is the stepdaughter of Mark Winslow; Mark is a twenty-year employee with ODOT. Mark works with Region 4 - District 9 maintenance crew in Condon.

Focusing on a career in nursing, Erica plans to attend Walla Walla Community College this fall.

Erica will receive up to \$2,500 per year for four years to complete a four-year college program. She will be offered summer employment with ODOT during that time as jobs become available. But not this summer—Erica is already attending summer school to get a head start on her education!

Congratulations to Erica Harrison, and to our employee Mark Winslow, for his contributions to Erica's success!

The Driver and Motor Vehicles Division has successfully converted its driver license and ID card issuance process from over-the-counter to centralized issuance. Now, customers in every field office will receive a temporary license or ID card good for 30 days and receive their permanent card within three to five days depending on the speed of mail delivery in their area. The advance notice of this change that was given to banks, retail establishments, law enforcement, state agencies and other stakeholders appears to have been useful in reducing public concerns about the acceptability of the interim card because we have receive very few customer concerns. DMV is now hard at work on the second phase of the project, the installation of facial recognition software. After June 30, 2008, with the use of this software, DMV will be able to detect and prevent customers from obtaining multiple cards in different names or trying to assume someone else's identity.

Following the collapse of the interstate bridge in Minneapolis on August 1, Oregon media immediately wanted to know about the condition of Oregon's bridges. The Public Affairs staff and the Bridge Section, under the leadership of Bruce Johnson, were inundated with dozens of simultaneous requests for information, data, graphics and interviews.

Our folks interpreted often complex data and bridge terms to the media and delivered the messages that ODOT has a good inspection program, that Oregon's bridges are safe to drive on, and that infrastructure needs continuous investment.

On August 2, there were six reporters from the Oregonian alone on various angles of the story; three from the Statesman Journal. At the end of the day, Steve Suo of the Oregonian sent Patrick Cooney a thank you note for the work of the staff to get answers to all the questions.

In these kinds of situations, if you fail to get the story right in the first 24 hours, you never get it right. ODOT got it right.



Commission member reports:

Commissioner Achterman participated, and to some extent, represented the agency at a major event where the first idle-free truck stop in Oregon was unveiled at Jubitz Truck Stop in Portland. More of these will go in on the I-5 and I-84 corridors. At these truck stops truckers can turn off their diesel engines and plug into everything from high speed internet to air conditioning or heating. This saves fuel, truckers' costs and reduces greenhouse gas emissions.

Commissioner Papé thanked the Commission, particularly Chair Foster, who spent a great deal of time and sacrificed personal time for working with the legislature. He also thanked the other OTC members, department staff and many county and city officials, and business people who came forward during the 2007 legislative session to talk about transportation and the need for funding. Since the end of the legislative session, and the July 18, 2007, OTC meeting, he continues to have conversations with business leaders. He had the opportunity to speak to the Asphalt Pavers Association about next steps. Commissioner Papé spoke with many legislators about where they see the engagement, where they would recommend we look to the future, and how we approach future funding for transportation systems. He attended a meeting of the Central Oregon Area Commission on Transportation. Commissioner Papé also attended the groundbreaking for an OTIA I funded project at the Redmond Airport, which will expand the terminal building. The project also received *ConnectOregon* funds.

Commissioner Nelson continues to be very actively involved in the Transportation Enhancement program. He was unable to attend a conference in Portland of TE directors from across the nation. Todd Davidson, director of the Oregon Tourism

Division, spoke to the relationship between transportation and tourism. He attended an Oregon Transportation and Tourism Task Force meeting. He thanked the ODOT staff who attended. The next meeting of the task force is scheduled for September 11 in Portland.

Commissioner Wilson spent time on various meetings concerning transportation in the Portland metropolitan area as well as the Audit Committee.

Chair Foster thanked Commissioner Papé for his efforts. He was the spark-plug behind the endeavor with the legislature. His energy was absolutely unbelievable, and he did a fabulous job in pulling together a coalition of stakeholders. Chair Foster attended one meeting of the stakeholder group – all of the stakeholders acknowledged the need to address transportation issues. The Commission went through a very painful discussion at its August 15, 2007, workshop on program funding and how the department must downsize programs as a result of revenue shortfalls and other impacts on its budget. Chair Foster is convinced that Commissioner Papé will be successful. When it happens, the State of Oregon will owe a huge debt to him.



The Commission considered approval of a Type A Immediate Opportunity Fund grant to Umatilla County in the amount of \$117,619 for the improvement of Fruitvale and Burrgraff Roads north of Milton-Freewater. The estimated total project cost is \$235,238. *(Background material in General Files, Salem.)*

Public comment was received from Umatilla County Commissioners Bill Hansell and Larry Givens who spoke in favor of this IOF grant request.

Commissioner Nelson moved to approve this request. The motion passed unanimously.



Region 5 Manager Monte Grove and Region Planning Manager Teresa Penninger requested adoption of the Interstate 84 Barnhart Road Interchange Area Management Plan. Adoption of this IAMP will amend the Oregon Highway Plan to include an access management plan for the Barnhart Road interchange area (Exit 202). *(Background material and PowerPoint presentation in General Files, Salem.)*

Commissioner Nelson moved to approve this request. The motion passed unanimously.



Region 4 Manager Bob Bryant requested authorization for the Highway Division Deputy Director to sign Cooperative Improvement Agreement No. 24093 between ODOT and Remington Ranch, LLC for highway improvements associated with a private development. *(Background material in General Files, Salem.)*

Representing Remington Ranch were managing member John Shaw and Chris Pippin, project manager.

The department faces funding shortfalls. The Commission is not satisfied with the timing and design of the proposed improvements. Adding another destination resort in this area of central Oregon will contribute to increases in traffic congestion at several key intersections, as well as cause safety issues. The Commission chose not to approve this item as presented.

Commissioner Wilson moved to defer this item until the September 12, 2007, meeting of the OTC. The motion passed unanimously.



Transportation Safety Division Administrator Troy Costales requested approval of the 2008 Oregon Traffic Safety Performance Plan, and authorization for the Transportation Safety Division Administrator to sign necessary agreements to carry out projects in the safety program. *(Background material in General Files, Salem.)*

The Commission thanked Mr. Costales and his staff for the outstanding job they do and their commitment to safety and to the citizens of Oregon.

Commissioner Achterman moved to approve this request. The motion passed unanimously.



Major Projects Manager Tom Lauer requested approval of an increase in project authorization in the amount of \$2,564,000 on the Interstate 5: N. Santiam Highway to Kuebler Boulevard (Salem Section) project in Marion County. This will change the project authorization from \$62,714,000 to \$65,278,000. *(Background material in General Files, Salem.)*

Commissioner Papé moved to approve this request. The motion passed unanimously.



The Commission considered approval of the following Consent Calendar items: *(Background material in General Files, Salem.)*

1. Approve the minutes of the July 18, 2007, Commission meeting in Salem.
2. Adopt a resolution for authority to acquire real property by purchase, condemnation, agreement or donation.
3. Approve an amendment to the 2006-2009 Statewide Transportation Improvement Program to add the U.S. 395: West Meadowbrook Culvert Replacement project

located in Grant County. The total estimated project cost is \$72,000, and is for preliminary engineering only.

4. Approve an amendment to the 2006-2009 STIP to cancel the Oregon 51: Agricultural Pull-Outs project in Polk County. This project is estimated to cost \$480,000.

Commissioner Achterman moved to approve all items on the Consent Calendar. The motion passed unanimously.



Region Manager Jason Tell requested approval to appeal to the Oregon Land Use Board of Appeals regarding comprehensive plan and zoning map amendments approved by Clackamas County for 25 acres of land located adjacent to Oregon 212 (between SE 136<sup>th</sup> Avenue and SE 142<sup>nd</sup> Avenue). (*Background material in General Files, Salem.*)

Public comment was received from developer Mr. Terry Emmert who spoke against approval of the LUBA appeal.

Commissioner Wilson moved to approve this appeal to LUBA. The motion passed unanimously.



The Commission reviewed Statewide Freight Plan information and considered concurrence with the Oregon Statewide Freight Plan Committee structure. (*Background material and PowerPoint presentation in General Files, Salem.*)

Transportation Development Division Administrator Jerri Bohard provided a brief overview and responded to OTC questions.

Commissioner Papé requested:

1. The OTC's thoughts about the proposed structure of the steering committee
2. Are there areas that the OTC feels need to be addressed differently?
3. Names of individuals who would bring expertise from multiple freight related categories (e.g., those who use rail and highway to move goods, etc.), as well as individuals from the Association of Oregon Counties and League of Oregon Cities.

The Commission wants the committee to include people who have perspective on what is shipped, not just how it is shipped.

The Commission supported the proposed structure for the Oregon Statewide Freight Plan Committee.





The Commission received the monthly status report on the Statewide Transportation Improvement Program, Oregon Transportation Investment Acts of 2001, 2002 and 2003, OTIA III State Bridge Delivery Program and *ConnectOregon* Program. *(Background material in General Files, Salem.)*

Tom Lauer reported that the OTIA III Bridge Delivery Program is on track. The agency is moving well through the construction season. The design program is also running well.

Senior Local Roadway Standards Engineer Marty Andersen reported that the Treasure Valley Renewable Resources *ConnectOregon* project has secured financing and is now on track. There are now three substantially complete projects. In talking with the *ConnectOregon* project owners, all have great stories to tell about the program. Mr. Andersen attended, along with Commissioner Papé, groundbreaking for the City of Prineville Railroad project and the Grant County Airport. Both groups are very excited about what the *ConnectOregon* program is doing for them. At some point, they may like to tell their stories to the Commission.



The Commission confirmed the next two meeting dates as:

- Wednesday, September 12, 2007, in Portland.
- Tuesday and Wednesday, October 9 and 10, 2007, in Gleneden Beach.



The Commission congratulated Region 5 Planning Manager Teresa Penninger for the outstanding Interchange Area Management Plan for the I-84: Barnhart Road interchange.

The Commission enjoys coming to eastern Oregon and appreciates the support and mutually beneficial relationships that the Commission and department have with county and local governments.



Chair Foster adjourned the meeting at 11:45 a.m.



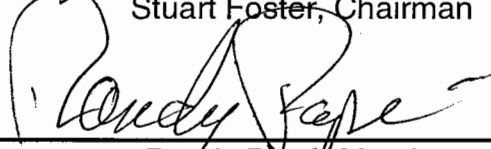
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Stuart Foster, Chairman



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Gail Achterman, Member



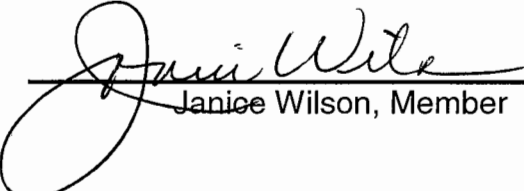
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Randy Papé, Member



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Mike Nelson, Member



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Janice Wilson, Member



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Kim Jordan, Commission Assistant