

**OREGON TRANSPORTATION COMMISSION**

**Minutes of the Regular Monthly Meeting  
May 23, 2007  
Salem**

On Wednesday, May 23, 2007, at 8:00 a.m., the OTC and Oregon Department of Transportation staff held a briefing session and reviewed the agenda in room 135 of the Transportation Building, 355 Capitol Street NE, Salem. The regular monthly meeting began at 9:30 a.m. in Conference Room 122.

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	Communications Administrator Patrick Cooney
Commissioner Gail Achterman	Transp. Development Administrator Jerri Bohard
Commissioner Michael Nelson	Field Services Manager Paul Mather
Commissioner Randy Papé	Region 1 Manager Jason Tell
Commissioner Janice Wilson	Region 2 Manager Jeff Scheick
Director Matthew Garrett	Interim Region 3 Manager John Vial
Chief of Staff Joan Plank	Region 4 Manager Bob Bryant
Deputy Director for Highways Doug Tindall	Region 5 Manager Monte Grove
Deputy Director for Central Services Mike Marsh	Commission Assistant Kim Jordan

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Chair Foster called the meeting to order at 10:00 a.m.

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Director's report highlights:

ODOT is tracking 653 bills in the Oregon State Legislature covering many issues, including the prevailing wage, the agency's budget bill, transportation funding, economic growth opportunities in eastern Oregon, photo radar within work zones, emerging small business, compliance with emission standards, tollways, and maritime pilots.

Director Garrett welcomed Les Brodie as ODOT's new Chief Financial Officer. He comes to ODOT from the State of Washington with 25 years of experience in government financial, audit, and administrative services at the federal, state and county level. He worked with the Washington State Patrol and State Auditor, among other state agencies. Mr. Brodie holds a Master's in Public Administration from Cal State and a Bachelor's degree from U.S.C. He is a Certified Government Financial Manager. In addition to his strong financial background, he is a collaborative and creative leader.

At a ceremony on May 31, 2007, at the Corvallis Arts Center, the City of Corvallis Historic Resources Commission will present an award to District 4 Bridge Manager Jeff Norman in recognition of his and ODOT's contributions to historic preservation in

Corvallis. The commission recognized ODOT's outstanding efforts to repair the Mary's River Bridge in a historically compatible manner. ODOT and Mr. Norman will be recognized for Excellent Repair of a Historic Structure by the City of Corvallis and Benton County Historic Resources Commissions and Preservation Works. It is part of a month-long celebration of National Historic Preservation Month.

Director Garrett announced that ODOT's Workforce Development Plan has been selected as the winner of the American Public Works Association's Diversity Exemplary Practices Award for 2007. ODOT's Bridge Delivery Unit and Office of Civil Rights submitted the nomination earlier this year in conjunction with the annual call for nominations. Representatives from ODOT have been invited to participate in the Awards Recognition Ceremony at the APWA Congress in San Antonio in September. This is a significant recognition of ODOT by our peers.

Director Garrett displayed an enlargement of ODOT's summer construction map. The agency will manage 108 projects throughout the state during the summer construction season.



Commission member reports:

Commissioner Achterman and Commissioner Wilson met with Metro representatives in April to discuss the Joint Policy Advisory Committee and transportation issues in the Portland metro area. Commissioner Papé recruited Commissioner Achterman to work on legislative issues related to a gas tax increase. On April 16<sup>th</sup>, she attended an informative dinner in Salem with Oregon's major Class One railroads. On May 8<sup>th</sup>, she met with the Forest Service. ODOT will have the opportunity to work with the Siuslaw National Forest and communities in Lincoln County on restoration of the Salmon River estuary. This transportation investment will have tremendous environmental benefits. Region 2 staff is doing an excellent job working with the Forest Service to make it happen.

Commissioner Papé testified before the House Transportation Committee and House Revenue Committee regarding the proposed user fee/gas tax increases to improve funding to support the Oregon Transportation Plan. He met with several Area Commissions on Transportation and counties to discuss their funding issues. The counties rely a great deal on federal timber receipts (a.k.a., the Secure Rural Schools and Community Self-Determination Act of 2000) to fund road improvements. They stand to lose those dollars, so we are trying to find ways to help them secure funding sources to reduce the impact. He attended the Central Oregon ACT meeting. Commissioner Papé also attended a meeting with officials from the City of Bend and ODOT to discuss Highways 97 and 20 at the north end of Bend and how the Juniper Ridge development will impact the transportation system.

Commissioner Nelson has been very involved with the Transportation Enhancement Advisory Committee regarding discretionary funding for an item on today's consent calendar. He spent most of his time working with Commissioner Papé regarding the proposed user fee/gas tax increases.

Commissioner Wilson worked with the Public Transit Advisory Committee on its project recommendations to the OTC regarding the Discretionary Grant program under consideration at today's meeting. She also met with ODOT staff and Metro and JPACT representatives regarding the Regional Transportation Plan update.

Chair Foster recognized ODOT Director Matthew Garrett for 10 years of service with the Oregon Department of Transportation.



The Commission received a report on a framework for analyzing various forms of highway tolling intended to inform future tolling policy and implementation efforts. *(Background material and PowerPoint presentation in General Files, Salem.)*

Region 1 Manager Jason Tell said that one of the objectives of the Oregon Transportation Plan is to look at innovative and alternate ways to finance transportation projects, including tolling. However, the OTP does not provide a framework for how to accomplish it. This presentation will provide a starting place and create conversation on how the Commission can develop a policy framework to analyze and implement whatever form of tolling it considers for the future.

David Williams, with Region 1 Planning and Development, said the Metro Regional Transportation Plan requires consideration of tolling prior to adding capacity on major freeway corridors. However, the plan does not make any distinction among the variety of ways one could toll, which is multiplied dramatically with technological advances. Further, it refers to a variety of policy objectives for the transportation system without distinguishing what that means as it relates to tolling. Some policy objectives are not self-reinforcing, and can be contradictory. The plan speaks to many objectives – economic, environmental, financial, traffic management for the transportation system, etc. – and expresses a desire for the department to explore tolling for addressing a number of these objectives without sorting through how to resolve conflicts or trade-offs among the different goals and applications. After the RTP update, but before launching the next set of corridor studies, it will be useful to find a way to put the planning process on a firmer policy foundation.

ODOT asked Cambridge Systematics, Inc. to develop a framework that will allow the department to consider tolling in a broad policy sense.

Christopher Wornum, with Cambridge Systematics, said that an increase in the use of tolling will constitute a major change in policy for Oregon. Despite recent legislation, tolling in Oregon has historically been very limited. Oregon's process for financing roads

is publicly acceptable. Because public acceptance of tolling has not yet been tested, Oregon should expect its tolling proposals to encounter public resistance.

The tolling policy framework needs to address the following challenges:

- Identify those directly and indirectly affected by the planned tolling application
- Assess the extent of these impacts
- Understand the public's perception of the problems intended to be addressed
- Determine the public's perception of the appropriateness of tolling as a solution to the proposed problems (i.e., how important is congestion to people? How should toll revenue be used?)

The tolling policy framework must be clear about the objectives that tolling is trying to achieve. It must identify those directly and indirectly affected by the planned tolling application, and assess the extent of these impacts. ODOT and OTC must understand the public's perception of the problems intended to be addressed, and determine its perception of the appropriateness of tolling as a solution, i.e., how important is congestion relief to people, and how should toll revenue be used.

Mr. Williams recommended that before a corridor study for a major route in the Portland metropolitan area is launched, it will be very helpful to resolve the agency's policy objective. He believes that special treatments, such as truck-only lanes, is an issue of statewide significance and is not appropriate in the decision-making process for a region such as the Portland metro area.

Commissioner comments:

- This work must be done before embarking on a corridor study in the Portland area.
- The issue around truck-only lanes should be addressed.
- As we look at the OTP implementation and the Regional Transportation Plan, and others, we need to determine ODOT's next steps in the work plan (analytical work, data gathering, tool development, etc.) that will frame the conversation for the public and local government decision makers.
- The Commission wants to see a plan for how to make the policy framework workable with the Metropolitan Planning Organizations and other planning activities.



Doug Tindall briefed the Commission on the Project Delivery Organizational Assessment. (*Background material in General Files, Salem.*)

In the late 1990s, ODOT contracted with Dye Management Group to look at the overall Highway Division and make recommendations about how the division could improve its

operations in general. Dye Management made a number of recommendations for structural organizational changes in the project delivery area. ODOT implemented those recommendations in 2004.

ODOT thought it appropriate to have Dye Management assess the implemented project delivery organization and tell the agency if the structural changes it made are working, if the division is staffed correctly, etc. At about the same time, the House Interim Committee directed ODOT to perform such a study.

The study could not determine if the division is staffed appropriately because it has so many vacancies and high employee turnover. The division has significant business risk and difficulty recruiting and retaining professional staff at all levels. In two ways the gap in compensation is making recruitment and retention very difficult. In some cases, the overlap between technical and management classifications is almost 100 percent. There is no incentive, no compensation, to move into a management position from a technical position. In similar agencies, such as the City of Portland, compensation is significantly greater than what it is at ODOT.

The report identified a number of things that the division should do internally to strengthen itself. The division should develop an overall strategic management of project delivery. It should define and clarify the role of the Technical Services Branch. It needs a more robust engineering recruitment and depth of expertise plan. An increased emphasis on consultant and contractor procurement and management competencies is needed.

The Highway Division is already working on these issues. The agency intends to improve the areas over which it has control to see if it mitigates, in any way, its recruitment and retention problems. If not, agency will move forward in quantifying to the greatest amount possible the other issues of compensation that Dye Management Group identified as a challenge in the agency's project delivery organization.

The Commission found the report excellent and the information it provided was shocking. It hopes the department aggressively pursues this with the Department of Administrative Services and the Legislature.

The Commission wants ODOT to provide a follow up report on the role of the Technical Services Branch. The department must take advantage of the skill sets within its organization and provide the tools and organizational structure needed to deploy and exercise employee skills as effectively as possible.

The Commission wants to have a conversation about how to address career development within the department.

Attracting and retaining employees is the number one priority of the agency. Without its employees, the department cannot accomplish its goals. It is critical that we keep attention on those disparity areas.

The Commission wants a further review of Recommendation 3.0, which calls for a restructure of the role of the Technical Services Branch through a business-based assessment that involves the regions, business lines, and technical disciplines (refer the report's executive summary, page ES-3, Exhibit ES-1: Findings and Recommendations for Technical Services Branch Role). Mr. Tindall noted that the agency is actively working on this issue and agreement is a few months out.



Tom Lauer, Major Projects Branch Manager, and Marty Andersen, Senior Local Roadway Standards Engineer, provided the monthly status report on the *ConnectOregon* Program, Statewide Transportation Improvement Program, Oregon Transportation Investment Acts of 2001, 2002 and 2003, and the OTIA III State Bridge Delivery Program. (*Background material in General Files, Salem.*)

Mr. Lauer reported that the OTIA III Bridge Delivery Program remains on track. The agency enjoys a healthy relationship with the environmental regulatory agencies. The annual update with those agencies is complete.

The three contracts with the Oregon Bridge Delivery Partners were extended. Two of those contracts, which cover oversight of design and construction, received three-year continuations. The third contract, which covers program oversight, was extended for two years.

Mr. Andersen reported that all but one *ConnectOregon* project are underway. The one remaining project is currently under discussion for possible termination. If the project must be cancelled, ODOT will request approval from the OTC in June. Three projects are nearing completion: Eagle Cap Excursion Passenger Equipment Replacement; Lexington Airport Fueling and Terminal Improvements; and the Portland Streetcar Lowell Extension Project. The Governor will attend the groundbreaking ceremony for the Tillamook Transit and Visitors Center on May 23, 2007. Because the Port of Newport received the \$3,000,000 *ConnectOregon* grant, it was successful in getting a \$15,000,000 bond for access improvements to the Newport International Terminal. The scope of the project is currently being expanded.



The Commission considered approval of the Public Transit Division 2007-2009 Discretionary Grants program recommendations and authorization of the PTD Administrator to sign agreements to carry out projects in the Discretionary Grants program. (*Background material in General Files, Salem.*)

Public Transit Division Administrator Michael Ward noted that the Public Transit Advisory Committee reviewed 356 requests for discretionary funds at its May 14, 2007 meeting. The PTAC did not have time to review the requests in the Transit Innovations category. Unfortunately, shortly after the work was complete, several errors were

discovered in some Rural and Special Needs categories (Capital Enhancement, Operating and Mobility Management, and Vehicle Replacement). In the interest of fairness and consistency, recommendations in those categories were delayed so the PTAC can review them again in June.

After the PTAC meets in June, the OTC will be asked to approve recommendations for the Innovations and remaining Rural and Special Needs categories.

A number of years ago, the OTC chose to delegate the authority for recommending projects under this program to a committee. Commissioner Wilson chaired this activity. This was the first year that the PTAC acted in that role. It did an outstanding job. Its members are knowledgeable, thoughtful and work well together.

Commissioner Wilson moved to approve the Public Transit Division 2007-2009 Discretionary Grants program recommendations for the following programs; Job Access Reverse Commute, New Freedom, Vanpool, Planning, Intercity, Mass Transit, and Rural and Special Needs (Operating Preservation, and Preventive Maintenance) and authorize the PTD Administrator to sign agreements to carry out projects in the Discretionary Grants program. The motion passed unanimously.



The next two meeting dates are:

- Thursday, June 21, 2007, in Salem.
- Wednesday, July 18, 2007, in Salem.



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

1. Approve the minutes of the April 25, 2007, Commission meeting in Monmouth.
2. Adopt a resolution for authority to acquire real property by purchase, condemnation, agreement or donation.
3. Approve the following Oregon Administrative Rule actions:

a.	Adoption of OAR 731-005-0505 and the amendment of 731-005-0430, 0470, 0520, 0530, 0540, 0550 and 0590 relating to electronic bidding.
b.	Temporary amendment of OAR 735-034-0050 relating to the issuance of trip permits.
c.	Amendment of OAR 735-050-0020 relating to self-insurance.
d.	Amendment of OAR 735-062-0040 relating to cheating on knowledge test.
e.	Amendment of OAR 735-062-0090 and 0200 relating to driver license/identification card renewal.

f.	Adoption of OAR 735-062-0092 and 0094, and the amendment of 735-062-0000, 0010 and 0030 relating to central issuance of driver licenses.
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4. Approve a request to seek legislative approval to apply for a \$4,478,077 grant from the Federal Highway Administration to provide for the rehabilitation, repair, or preservation of covered bridges that are listed or eligible for listing on the National Register of Historic Places.
5. Approve an amendment to the 2006–2009 STIP to add \$2,249,698 to the Oregon 99E: Interstate 205–Railroad Tunnel (Oregon City) project to cover additional roadway reconstruction work. This project is estimated to cost \$8,746,519.
6. Approve an amendment to the 2006–2009 STIP to add the Oregon 99W: Pacific Highway West Intersection at Hall Boulevard (Washington County/City of Tigard) project. This project is estimated to cost \$6,268,000.
7. Approve an amendment to the 2006-2009 STIP to add the U.S. 101: Neahkahnie Mountain Rock Wall Repair (Phase 1) project in Tillamook County. This project is funded with a \$320,000 grant from the National Scenic Byways Program and \$80,000 savings attained through the Oregon 213: Lone Pine Corner – Oregon 214 (Silverton) project. This project is estimated to cost \$400,000.
8. Approve an amendment to the 2006-2009 STIP to reduce the scope of the U.S. 101: SE 19<sup>th</sup> - 32<sup>nd</sup> Street Phase 2 (Lincoln City) project by \$4,600,000, delaying a portion of the construction until 2010 to be constructed in the Draft 2008-2011 STIP project: U.S. 101 at S. 32<sup>nd</sup> Street (Lincoln City). \$4,600,000 in construction funds will be transferred to the future project.
9. Approve an amendment to the 2006-2009 STIP to cancel the Oregon 58: Salt Creek Half Viaducts (07185, 07186, 07187) project (Lane County). This project is funded with Bridge Program funds, and is estimated to cost \$3,748,050.
10. Approve a retroactive request to seek legislative approval to apply for grant funds for a commercial driver licensing project under the Federal Motor Carrier Safety Administration, a rail-related project under the Federal Highway Administration *Transportation, Community and System Preservation* program, and transit-related projects under the Federal Transit Administration *Bus and Bus Facilities Discretionary Program Grants (Section 5309)*.
11. Review and endorse information for submission to the Federal Highway Administration and the Federal Transit Administration that conveys how the Oregon Transportation Plan planning process and the STIP development process meet all requirements for statewide planning established under the Federal Transportation Reauthorization, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU).



12. Approve five High Risk Rural Road projects for inclusion in the Statewide Transportation Improvement Program (STIP), and approve three additional projects as alternates (Reserve List). Authorize the Deputy Director for Highways to advance Reserve List projects to the STIP.



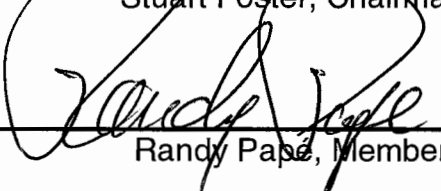
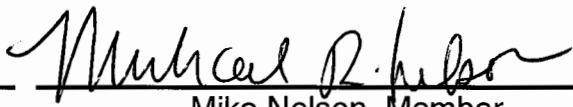
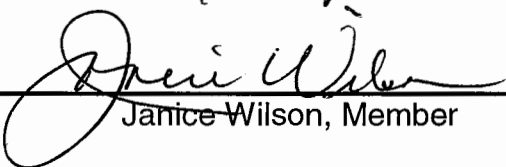

13. Approve an increase in construction authorization of \$1,384,058, or 101.89%, on the Oneonta Gorge Parking/Vista Project in Multnomah County (Historic Columbia River Highway). This will change the construction authorization from \$1,358,420 to \$2,742,478.

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

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Chair Foster adjourned the meeting at 12:00 p.m.

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 _____ Stuart Foster, Chairman	 _____ Gail Achterman, Member
 _____ Randy Page, Member	 _____ Mike Nelson, Member
 _____ Janice Wilson, Member	 _____ Kim Jordan, Commission Assistant