

**OREGON TRANSPORTATION COMMISSION**

**Minutes of the Regular Monthly Meeting  
February 21, 2008  
Salem**

On Thursday, February 21, 2008, 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 10:00 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:

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| Chair Gail Achterman                          | Transp. Development Admin. Jerri Bohard     |
| Vice Chair Michael Nelson                     | Public Transit Administrator Michael Ward   |
| Commissioner Janice Wilson                    | Governor's Sr. Transp. Advisor Chris Warner |
| Commissioner Alan Brown                       | Region 1 Manager Jason Tell                 |
| Commissioner David Lohman                     | Interim Region 2 Manager Dee Jones          |
| Director Matthew Garrett                      | Region 3 Manager Paul Mather                |
| Chief of Staff Joan Plank                     | Region 4 Manager Bob Bryant                 |
| Deputy Director for Highways Doug Tindall     | Region 5 Manager Monte Grove                |
| Deputy Director Central Services Lorna Youngs | Commission Assistant Kim Jordan             |
| Communications Administrator Patrick Cooney   |   |

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Chair Achterman called the meeting to order at 10:05 a.m.

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Director's report highlights:

Storm update

Director Garrett saluted the men and women of ODOT's maintenance crews for their outstanding job dealing with the continuing weather issues.

Timber Tax/Secure Rural Schools Issue

Loss of timber tax funding has compromised some of the most vulnerable small counties in eastern Oregon to the extent that, potentially, they have to shut their doors. Working closely with county and city individuals, ODOT is vetting different scenarios that may help blunt the trauma specific to the transportation funding gap that comes with the non-renewal of the Secure Rural Schools Act. The discussions are on distribution of monies, percentages, county allocations and the criteria used in those allocations, base levels of investments, and more innovational approaches like jurisdictional-blind formulas. A recommendation will go to Mr. Nisbitt in mid March.

### Legislative Supplemental Session Update

This agency has been before Transportation Committees in both the House and Senate as well as the Ways and Means Committee articulating our various needs. Providing the legislature a comprehensive portrait of the challenges ODOT faces and the programs we deliver is paramount. Director Garrett acknowledged Robin Freeman for her outstanding efforts in shouldering a huge amount of this responsibility by overseeing transportation discussions. He also recognized Doug Tindall and Tom McClellan for their efforts, and Victor Dodier for his behind-the-scene efforts providing the language and the product we deliver to the legislature, which is almost always picture perfect.

One major issue going into the supplemental session was driver license security. Senate Bill 1080 regarding legal presence was signed by Governor Kulongoski on February 15.

The Commission also recognized and congratulated ODOT's maintenance crews for their heroic efforts during this storm season. Commission members would like to do something special for all the employees involved to acknowledge the extraordinary time and effort they have put in for Oregonians.



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.*)

Major Projects Branch Manager Tom Lauer said the OTIA I and II programs remain on track with 181 active projects that should complete by the end of this year. OTIA III has 60 active projects, the bulk of which are still in the design process. We will begin to see construction in 2009 and 2010 with completion expected in 2012. The OTIA III Bridge Program has 210 active projects within the design/bid/build portion of the program, and 71 active bridges in the design/build program.

Marty Andersen, Local Government Section, provided the *ConnectOregon* program update. Fifty-four percent of *ConnectOregon* projects are in design and going to bid this spring. Five percent are complete, and forty-one percent are under construction. Quarterly updates are still being done to assure *ConnectOregon* I projects are on track before starting *ConnectOregon* II projects.

Deputy Director for Highways Doug Tindall talked about performance in managing construction contracts within budget. ODOT's performance in managing construction projects for the three years prior to 2007 showed that projects were brought in under the Commission-authorized amount. His concern was that inflation costs would not allow that record to continue in 2007. However, Deputy Director Tindall reported that by a narrow margin projects did come in under the Commission authorization for 2007. This

was accomplished not by cutting projects, but by aggressive and conscientious management of construction projects.

Region offices conducted risk assessment analysis of project delivery on projects over \$30 million that will go to construction in the next three years, to determine if we have the appropriate people to manage these large and complex projects. The regions made some staff adjustments and reported that the risk is being managed on the 26 projects under construction or going to construction.

The Commission congratulated Doug Tindall for coming in under budget despite cost escalations and the current economic environment.

The Commission asked if an evaluation of *ConnectOregon I* was planned to determine if application projections on the economic benefits of the program were realized. The Commission asked staff to consider how it will evaluate lessons learned so that information can be passed to future investments and multimodal projects. The evaluation should include not only project compliance, but also a more programmatic evaluation of multimodal investments. Director Garrett indicated an economic overlay has been applied to *ConnectOregon II* for just this purpose. This information will be provided to the Commission.



The Commission considered approval of the **temporary** amendment of OAR 735-076-0005 relating to the release of a non-mandatory report submitted to DMV. (*Background material in General Files, Salem.*)

Consent Calendar item 5b was moved to the regular agenda. DMV Administrator, Tom McClellan provided background.

The temporary rule change affects reporting requirements and the release of information for the At-Risk Driver Program, specifically, non-mandatory reports. The proposed amendment requires that reports received from law enforcement officials be considered not confidential and a copy may be released to the person who is the subject of the report pursuant to a Public Record Request.

Public comment was received from:

- Scott Rohter said that the changes are welcome, but are not adequate. (*Written comments in General Files, Salem.*)

Temporary rules stay in effect for 180 days. During that time, the amendment goes through the formal rulemaking process, including the possibility of a hearing and then adoption of the permanent rule. If this comes back for approval as a permanent rule, the Commission requested more information on the categories that are still confidential and the criteria for those categories along with an overview of the reporting process as a whole.

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



The Commission received a presentation on the state of the practice in multimodal tradeoff analysis and discussed the applicability of the concept to investing strategically in capacity improvements across modes. (*Background material and PowerPoint presentation in General Files, Salem.*)

Jerri Bohard, Transportation Development Division Administrator, and Steve Pickrell, Vice President, Cambridge Systematics, discussed the opportunities and problems multimodal tradeoff analysis was intended to address; what the benefits to ODOT would be; and what advancements or investments would be required for ODOT to take advantage of the analysis.

The Commission asked for Mr. Pickrell's recommendation for ODOT's first step in the process. He suggested looking at particular long-term, difficult to resolve transportation problems with the intent of building a list of short-term improvement needs for analysis. As economic development is a guideline of the Oregon Transportation Plan, the agency should look for opportunities to improve freight movement in the I-5 Corridor and in the Portland region.

Another recommendation was to continue building funding partnerships with public and private entities for capital projects. These would include other government agencies (state, county and city) and, particularly, building the relationship with railroads. To this end, a suggestion was made to share the Multimodal Tradeoff Analysis paper with key partners to get their thoughts and observations on how to start working together to achieve some of these goals. It was noted that plans have already been made to present the paper at the March 5 Freight Advisory Committee meeting. Jerri Bohard will report back at a later commission meeting.

One of the issues in obtaining qualitative data is the lack of data available around rail/freight transportation. The federal government could require the rail transportation system to report information, and the question was raised whether we should be arguing to congressional delegations for reporting requirements for private freight carriers so transportation planning agencies have access to the information needed to make decisions.

The Commission proposed that identifying key freight corridors and key constraint points within those corridors for analysis is critical to determining if the data needed is available. Steve suggested starting this effort in specific selected areas in Portland versus smaller areas like Klamath Falls. This will allow wider exposure and a richer database.



Doug Tindall and ITS Manager Galen McGill presented the project selection criteria for projects funded from the \$8,000,000 increase in the Operations Program approved by the commission in adopting the 2008-2011 Statewide Transportation Improvement Program. (*Background material in General Files, Salem.*)

Galen McGill discussed the six criteria categories developed for selection of operations projects.

- Project Benefits – Expected benefits of the project and an evaluation plan.
- Technical Merits – Evaluates the technical benefit of proposed project and the feasibility of the proposed solution.
- Implementation Readiness – Evaluates how ready a project is to being implemented. Is the technology ready to implement? Is the project within legal and policy constraints? Are the appropriate partnerships in place?
- Importance – Is the project innovative or does the project improve the state of the practice.
- Ongoing Operational Cost Effectiveness – Evaluates the project’s plan to cover ongoing costs.
- Support – Is there funding support from applicants or other government agencies?

The Commission asked if the category for “importance” might have more scoring value than “technical merit” when based on what we want to give to the public. This will be reviewed and brought back to the March OTC meeting to discuss changes made or if no changes are made, the reasons for it. A suggestion was made to change the category name to “importance/innovation.”

The Commission noted that projects don’t have to be on the state system to qualify and to stimulate new ways of thinking and develop new kinds of partnerships. We need to examine our outreach for the request for proposals to assure that the right people are engaged. The following suggestions were noted:

- Hold a question and answer session so interested parties can meet, share information and exchange ideas.
- Provide an outside line for incoming phone calls.
- The request for proposals should contain many examples to educate and stimulate understanding and awareness.
- Advertise widely to reach as many people as possible and get the word out to consulting firms and private companies.



Under the authority of Oregon Administrative Rule 731-070-0240, the commission considered whether the Solar Energy Projects (Oregon Department of Transportation Solar Highway Project) have the potential to accelerate cost-effective delivery or promote innovative approaches to carrying out projects. James Whitty, Manager, Office

of Innovative Partnerships, provided background on ODOT Solar Highway Procurement. Allison Hamilton, Project Director, Office of Innovative Partnerships, gave a presentation on the project. *(Background material in General Files, Salem.)*

The procurement contemplated will accelerate the development of sustainable renewable energy to offset the costs of ODOT's 45 million kilowatts consumed annually. Project financing will take advantage of state and federal tax credits, early depreciation and utility incentives through a third-party power provider. ODOT will incur no costs up front. The first step in the two-step procurement will pre-qualify a short list of power providers and award the initial projects. The power purchase contemplated is for the installation and long-term operation and maintenance of the solar system.

The ODOT Solar Highway Project has the support of leadership and key stakeholders including the Director's Office, Governor's Office, Oregon Department of Energy, Oregon Department of Administrative Services, Oregon Solar Energy Industries Association, Portland General Electric, Energy Trust of Oregon, and Federal Highway Administration.

Solar panels on 120 miles of Oregon's 16,000 miles of right-of-way would supply all 45 million kilowatt hours ODOT uses annually. Several sites have been identified as having solar potential for this first ODOT offering, including the I-5/I-205 Interchange, the abandoned West Linn Safety Rest Area, the Woodburn northbound and southbound ports of entry, sound walls along U.S. Highway 26, district offices in Region 1, and the ODOT Materials Lab.

The directive is to procure energy at costs equal to, or less than currently paid today at grid costs. While discussion is taking place with all utilities across the state, ODOT is starting with PGE because its costs, and incentives, are the highest. The goal is to negotiate rates in the agreement that come in under the cost of grid power.

The Commission asked if revenue could be generated for the Highway Trust Fund by renting out some of the remaining 16,000 miles of Oregon right-of-way for solar energy providers. Under current law this is not allowed, but that would be a goal.

The Commission also noted that these types of contracts are very complicated, and as this will be the first of its kind in the United States, we need to assure we get the appropriate advice and council needed. The Commission requested that the request for proposals contain an evaluation component for what we are trying to accomplish.

Commissioner Wilson moved to approve this determination. 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 January 17, 2008, commission meeting (telephone) in Salem.
2. Approve the minutes of the January 24, 2008, commission meeting in Salem.
3. Confirm the next two commission meeting dates.
  - Tuesday and Wednesday, March 18 and 19, 2008, in Astoria.
  - Tuesday and Wednesday, April 22 and 23, 2008, in Portland.
4. Adopt a resolution for authority to acquire real property by purchase, condemnation, agreement or donation.
5. Approve the following Oregon Administrative Rules:
 

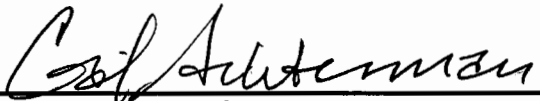

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| a. | The <b>temporary</b> amendment of OAR 735-062-0090 relating to early renewal of driver licenses and ID cards for persons who are deployed. |
| b. | This item was moved to regular agenda.   |
6. Rescind the approval of \$910,000 in industrial rail spur funds to Treasure Valley Renewable Resources for a rail spur project in Ontario.
7. Approve an amendment to the 2008-2011 Statewide Transportation Improvement Program to cancel the Treasure Valley Biorefinery Access project in Malheur County. The total estimated cost of this project is \$3,945,400.

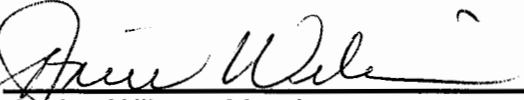
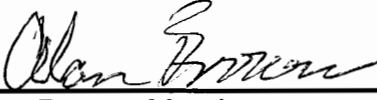
Commissioner Lohman moved to approve the items on the Consent Calendar, excluding item 5b, which was moved to the regular agenda. The motion passed unanimously.


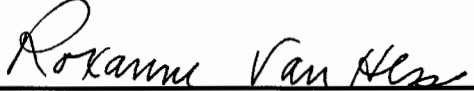
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Chair Achterman adjourned the meeting at 1:40 p.m.

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| <br><hr style="border: 0.5px solid black;"/> David Lohman, Member | <br><hr style="border: 0.5px solid black;"/> Roxanne Van Hess, Commission Support |
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