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<p>OREGON TRANSPORTATION COMMISSION Minutes of the Regular Monthly Meeting July 14, 2004 Salem</p>
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On Wednesday, July 14, at 8:00 a.m., the Oregon Transportation Commission (OTC), and Oregon Department of Transportation (ODOT) staff held a briefing session and reviewed the OTC agenda in Administrative Conference Room 344, ODOT Region 1 Headquarters Building, 123 NW Flanders, Portland. The regular monthly meeting began at 9:30 a.m. in Public Meeting Rooms A and B.

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	Executive Officer for Highways John Jackley
Commissioner John Russell	Rail Division Administrator Kelly Taylor
Commissioner Gail Achterman	Public Transit Administrator Martin Loring
Commissioner Randy Papé	Region 1 Manager Matthew Garrett
Commissioner Mike Nelson	Region 2 Manager Jeff Scheick
Director Bruce Warner	Region 3 Manager Paul Mather
Deputy Director for Highways John Rosenberger	Region 4 Manager Bob Bryant
Deputy Director for Central Services Mike Marsh	Region 5 Manager Monte Grove
Communications Administrator Patrick Cooney	Chief Engineer/Tech. Serv. Mgr. Cathy Nelson
Trans. Development Admin. Craig Greenleaf	Commission Secretary Jill Pearson
Trans. Safety Division Admin. Troy Costales	Doug Tindall, State Maintenance Engineer
Office of Project Delivery Admin. Mike Wolfe	

Chair Foster called the regular monthly meeting to order at 9:55 a.m.



Director's report highlights:

- Greyhound Bus Lines is dropping 35 Oregon cities from service on August 18. This will affect long distance travel on Highways 101 and 97. Our Transit and Rail Divisions are working with Greyhound and other transportation partners to assess the effect on Oregon's communities. Greyhound will shortly adopt a new schedule and local service providers are looking at strengthening intercity connections through rescheduling and the addition of new service where possible. Director Warner will update the Commission as developments occur.
- Last month, Director Warner reported on the successful pricing of the OTIA III local bridge bonds and a partial refunding of ODOT's previous bond issues. Director

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Warner was pleased to report that both issues closed on July 7. The OTIA III bonds priced at an interest cost of about 4.8% and the refunding bonds priced at 4.4% (for a shorter period of time).

On the day of closing, in excess of \$270 million in bond proceeds were either wire transferred or mailed to cities and counties as grants to fund local bridge projects; an additional \$25 million was distributed Friday, July 9. The remaining \$5 million for three projects will be distributed as soon as the grant agreements are fully executed.

ODOT will save about \$3.4 million in debt service on the refunding, which will be passed on in higher monthly highway fund distributions to cities, counties and ODOT.

Director Warner thanked Dave Tyler, Chief Financial Officer, and his staff, especially Diane Hopper and Paul Cormier, for their hard work and commitment to making this a success. He also thanked the State Treasurer and ODOT's professional financing team for their efforts with the first issue under the 2003 OTIA III Legislation. Copies of the bond documents are available upon request.

- There is not much new and very little progress to report on federal reauthorization of the Surface Transportation Act. Much of the discussion is occurring at the leadership level and very little is happening in committees. The Administration, the Senate and the House are still billions apart in funding levels, and the Administration continues to threaten a veto for any bill above \$256 billion. The House passed a \$275 billion bill and the Senate passed a \$318 billion bill. The current extension of TEA-21 expires at the end of July.
- On June 28, Patrick Cooney and Director Warner visited with the *Statesman Journal's* Editorial Board to talk about implementation of OTIA III. That resulted in a nice editorial in the paper on Tuesday, July 6, which Mr. Cooney sent to Commission members electronically.
- ODOT is once again participating in the Oregon Business Council's Oregon Performance Interns Program. The program gives the nation's best graduate students in public policy and public administration the opportunity to help improve the performance of public agencies. ODOT has three interns this year because of the Governor's emphasis on accountability.

Elizabeth Askew completed her first year of Masters of Public Policy and Urban Planning at the Woodrow Wilson School at Princeton University. She comes to Oregon via Chicago, where she worked as an environmental scientist with several consulting firms. She is working in Highway Finance this summer, helping prepare the division for the introduction of performance measures as well as aiding in the development of the Project Delivery executive report for the September Commission meeting.

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Tyler Robinson completed his first year of a Masters of Urban and Regional Planning at the University of Minnesota's Humphrey Institute for Public Affairs. He has five plus years of experience coordinating international education programs throughout the Pacific Northwest and Latin America. Among Tyler's projects this summer are to provide background research on performance measures for the Oregon Transportation Plan's Sustainability Committee and to assist in the development of an ODOT quarterly performance report to the Commission.

Jason Barrett is about to complete his Masters of Public Affairs at the Hatfield School at Portland State University with an emphasis in regional planning. Jason will be writing procedures for how to audit performance measures. He will also be assisting with updating the economic impact of transportation investments. He has accepted a permanent position with the Secretary of State's Audit Division, following his summer at ODOT.



Commission member reports included the following information:

Commissioner Russell focused his efforts on beginning the production of a public transit video. The video should be completed by early September of this year.

Commissioner Achterman spent time on July 9 with the Oregon Transportation Plan (OTP) update work groups and steering committee. At last month's Commission meeting, a vision statement was distributed and discussed. The staff did a fantastic job rewriting it, and the steering committee all agreed to move forward with the new document. Commission members will soon receive an updated vision statement. She also attended her first Audit Committee meeting at which they reviewed the work plan that will be discussed today.

Commissioner Papé participated in the groundbreaking dedication celebration at Lane Transit District for the bus rapid transit that is being built to link downtown Eugene with downtown Springfield. He also attended a Metropolitan Policy Committee meeting and continues to act as liaison on issues relative to the Metropolitan Planning Organization in Lane County. Commissioner Papé met with several contractors who wanted to discuss the design/build programs and how the state is developing that process.

Commissioner Nelson spent time with Senator Peter Courtney and his family. He attended Tom Schuff's retirement dinner in LaGrande. The event was very well attended and a wonderful, fun filled evening. Commissioner Nelson had the opportunity to work with local legislators who are providing ODOT council on how eastern Oregon bridges should be built. He delegated that opportunity to Monte Grove.

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Chair Foster said that Tom Schuft will be greatly missed. He had discussions with the Associated General Contractors (AGC). He received a letter from the AGC expressing a desire to engage with ODOT in a discussion of the implementation of OTIA III. The Commission and ODOT welcome that opportunity. Chair Foster anticipates an update on those discussions at the August Commission meeting.



Public comments were received from:

- Dave Robertson, appointee to Columbia River Gorge Commission (CRGC) – Mr. Robertson thanked ODOT staff for their help in updating the Columbia Gorge Management Plan. One change to the Management Plan will have the agency taking the lead in developing a Scenic Corridor Strategy for the Gorge. He reviewed some of the goals of the CRGC and some of the things that need to be done as the strategy moves forward. There are 20 bridges in the National Scenic Area on the list for replacement. He wants to continue to work with the OTC and ODOT to come to agreement on design standards. The design communicates a lot about the scenic area. ODOT staff has been very helpful to the CRGC in working through what some of the bridges might look like. The Gorge does not have an Area Commission on Transportation (ACT). He wants to work with the OTC in setting up an ACT for the Gorge area.
- Rob Zako, 1000 Friends of Oregon – Mr. Zako shared his personal perspective regarding the cuts in Greyhound service mentioned by Director Warner. There was an article from Tampa, Florida, in the *Wall Street Journal* inspired by the increased cost of gasoline and the expense of driving. The article also talked about the cost of sprawl. When making difficult transportation funding choices and priorities, economic vitality and economic development is important. In some cases there is a profitability issue, and in other cases the issue is whether or not people can get from place to place. Oregon seems to be doing much better than other areas of the country in avoiding sprawl. (Written comments in General Files, Salem.)



Mike Marsh, Central Services Division Executive Deputy Director, requested approval to appear with the Department of Administrative Services (DAS) at the September 2004 meeting of the Legislative Emergency Board to request approval for the Department of Transportation's Headquarters Building renovation plan. (Background material in General Files, Salem.)

The Commission hopes that when ODOT staff is consolidated in Salem, that the location is within walking distance of the Capitol and that people are in areas that are served by mass transit to comply with the Governor's downtown development plan.

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Commissioner Russell moved to approve the appearance before the Legislative Emergency Board in September. The motion was unanimously approved.



Matthew Garrett, Region 1 Manager, requested approval to amend the 2004-2007 Statewide Transportation Improvement Program (STIP) to program three allocations of federal Surface Transportation Program (STP) funds to reflect the ODOT commitment of \$23 million for the Interstate 205/Mall Light Rail Transit Project. (Background material in General Files, Salem.)

Rod Park, Portland Metro Councilor and Chairman of the Joint Policy Advisory Committee on Transportation (JPACT), urged the Commission to allocate the resources to this important project as Metro and JPACT have recently done. This project will reduce automobile traffic, reduce energy consumption and improve air quality and increase connectivity throughout the metro area.

The Commission thanked Mr. Garrett for providing more comprehensive information.

The Commission thanked Mr. Park for his comments.

Because it is also endorsed by JPACT and the Metro Council, Commissioner Russell moved to approve this request. The motion was unanimously approved.



Drummond Kahn, Internal Audit Services Chief, and Marlene Hartinger, Principal Internal Auditor, updated the Commission on Internal Audit Services activities and provided follow-up information on the Access Management audit. (Background material in General Files, Salem.)

Mr. Kahn thanked Commissioner Papé for serving a two-year term on the Audit Committee. He pioneered the role as the first OTC member to serve on the Audit Committee. His role helped to strengthen this important oversight function.

Mr. Kahn welcomed Commissioner Achterman to the Audit Committee. She has participated in her first Audit Committee meeting and met staff to gain familiarity with processes and audit products.

Internal Audit Services (IAS) issued 13 audit reports since the Commission was last updated. The audits range from routine audits of Driver and Motor Vehicle Services security and cash handling process to complex audits of issues like construction contract change orders, progress reporting for major construction programs, ODOT selection process for awarding federal Transportation Enhancement Funds and other

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issues ranging from Information Technology contract payment processes to controls over the Repair Shop parts inventory.

In all of the audits, management generally agreed with the audit findings, and the Audit Committee approved recent action plans that reflect management's efforts to reduce risk and improve processes throughout ODOT.

The Commission asked for follow up on two Access Management reports issued by IAS in June 2002 and March 2003. IAS reviewed eight outstanding recommendations and studied whether they had been fully implemented, partially implemented or not yet implemented. Field work was completed in January 2004. Since January, management has worked to move all recommendations into, at least, the partially implemented category. IAS found no new areas of concerns since the first two audits in this area.

Some of the new projects include a review of:

- Fords Bridge
- Region 5 change of manager
- Competitive practices within ODOT
- E-Government/E-Commerce within ODOT

The Commission noted that of the 7,200 hours available for audit staff to work on auditing, 1,250 hours will be spent on contract oversight and controls and 1,450 hours are set aside for special projects and management requests.

The Commission believes that the amount of auditing time allocated to construction issues might be too small.

Commissioner Papé thanked Mr. Kahn and his staff for the work they do on behalf of the department. The professional way in which they carry out their work is a credit to ODOT.



Troy Costales, Transportation Safety Division (TSD) Administrator, lead a round table discussion on work zone safety. (Background material and presentation in General Files, Salem.)

With Mr. Costales were Steve Brown, Region 1 Safety Manager; Scott McCanna, Traffic Control Plans Engineer; KC Humphrey, Regional Transportation Safety Advocate; Bruce Bercot, Region 1 Project Coordinator; Sgt. Greg Hastings, Oregon State Police; Sgt. Gary Cerotsky, Portland Bureau of Police; and Sgt. John Naccarato, Clackamas County Sheriff's Office.

Mr. Costales introduced Anne Holder, who replaced Larry Christianson as the ODOT Work Zone Safety Coordinator.

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Mr. Costales compared Oregon's recent work zone safety statistics with those of the nation and provided an overview of Oregon's statewide work zone safety efforts.

The presenters discussed the employee side of work zone safety, traffic control plans and management of traffic in work zones, regional coordination, and construction project management and coordination. The Commission also heard about work zone law enforcement efforts and issues faced by state and local law enforcement agencies.

The Commission is concerned about the lack of law enforcement due to funding constraints that have caused reductions in law enforcement resources.

The Commission applauded the efforts of the transportation safety community for working to reduce the number of crashes and fatalities in work zones.



Troy Costales, TSD Administrator, gave a presentation on the status of transportation safety in Oregon, including a presentation on public information awards for both Transportation Safety and Driver and Motor Vehicles Division. (Background material and presentation in General Files, Salem.)

From 1999 through 2003, Oregon experienced the lowest number of fatalities in a five-year period since 1958 through 1962. The number of fatalities through the middle of July is 16 percent below the same timeframe in 2003 and is the lowest six-month count since the 1940's.

Specific needs for the future include:

- Considering a broader definition of driving under the influence of intoxicants (DUI) to allow offenders access to evaluation and/or treatment
- Focusing on youth, some are not protected
- Continuing roadway improvements
- Training
- Encouraging national incentive programs versus sanctions
- Strong partnerships within ODOT as well as other agencies or organizations

Three radio public service announcements (PSA) and one television PSA recently received awards. At Worldfest in Houston, the radio PSA titled "What We Like," aimed at reducing teenage drinking and driving, received a Gold Award. Another radio PSA, "Pop Quiz," regarding the new laws for teenage drivers, received a Silver Award, and "Dad," about motorcycle safety, received a Bronze Award. The television PSA, called "The Talk," received an AAMVA PACE Award. This television ad was regarding new laws in place for older drivers.

Mr. Costales showed the Commission all three spots

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Troy Costales, TSD Administrator, and Mark Koberstein, Oregon Transportation Safety Committee member, requested approval of the 2004 Transportation Safety Action Plan, an element of the Oregon Transportation Plan. (Background material in General Files, Salem.)

Troy introduced Walt McAllister, Safety Communities Program Manager at TSD, and Mark Koberstein, who is also a deputy sheriff with Clackamas County Sheriff's Office.

Version two of the Transportation Safety Action Plan includes 69 actions. Nine were identified as key actions which should be implemented by the year 2014. Those nine key issues include expanding driver education in Oregon, traffic law enforcement training, judicial training, and revising DUII statutes.

Mr. Koberstein thanked Walt McAllister for putting the report together. He also thanked the five region safety managers who helped coordinate public meetings held throughout the state.

Commissioner Achterman moved to approve the 2004 Transportation Safety Action Plan. The motion passed unanimously.

The Commission and Director Warner thanked Mr. Koberstein for all of his efforts on behalf of the Oregon Transportation Safety Committee and this project.

The Commission complimented Mr. Costales and Transportation Safety Division staff for their work toward reducing traffic related crashes.



Bob Bryant, Region 4 Manager, and Jim Bryant, Region 4 Program and Planning Manager, provided an informational presentation on the operation and management of US 97. (Background material in General Files, Salem.)

US 97 is classified as a Statewide Highway and is part of the National Highway System. It is also designated as a freight route for its entire length and as an expressway from Madras to California (except in the cities and rural communities).

Because of very pronounced traffic volume increases on US 97, between Milepoint (MP) 91, north of Madras, and MP 170, near LaPine, the Commission sees a valid need to convert that segment of US 97 to an access controlled facility. Converting four-lane sections of the highway to an interchange system would be another option. However, there is very little funding for the purchase of right of way.

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Oregon needs another border-to-border highway that is comparable to I-5. The Commission wants to review what it would cost to add lanes to I-5, through the Rogue Valley, the Siskiyou and up through the Willamette Valley, compared to what it would cost for lane improvements and widening on these key areas on US 97.

The Commission wants to know what US 97 truck traffic volumes are north of Highway 58 versus south of Highway 58. Bob Bryant will review traffic data and report back to the Commission.

The Commission will discuss US 97 issues at future meetings.



Kelly Taylor, Rail Division Administrator, requested approval to distribute funds appropriated by the 2003 Legislative Assembly for improvements to Oregon's shortline railroads, consistent with ORS 367.067. (Background material in General Files, Salem.)

Commissioner Russell moved to approve the list of shortline rail projects. The motion passed unanimously.



Martin Loring, Transit Division Administrator, requested approval of the proposed change in allocation methodology for Small Cities and Rural Areas (Section 5311) Program beginning with Fiscal Year 2005. (Background material in General Files, Salem.)

Commissioner Achterman moved to approve the proposed allocation methodology. The motion passed unanimously.



The Commission approved the next two meeting dates as:

- Wednesday and Thursday, August 18 and 19, in Baker City.
- Wednesday and Thursday, September 29 and 30, in Newport.



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

1. Approve the minutes of the June 22-23, 2004, Commission meeting in The Dalles.

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2. Adopt a resolution for authority to acquire real property by purchase, condemnation, agreement or donation.

3. Approve the following Oregon Administrative Rule (OAR) actions:

a.	Amendment of OAR 735-048-0000 and 0020 relating to permitted uses of vehicles with farm registration.
b.	Amendment of OAR 735-168-0070 and repeal of 735-168-0020, 0030 and 0040 relating to Class 1 all-terrain vehicle title and registration.
c.	Temporary amendment of OAR 732-005-0005, 0010, 0027, 0031 and 0051 and 732-010-0010 and 0035 relating to the special transportation fund for the elderly and disabled.

4. Approval to submit to the September 2004 meeting of the Legislative Emergency Board the report on implementation of the Oregon Innovative Partnerships Program required by ORS 367.826 (SB772 from the 2003 Legislative Session).

5. Approve a request to submit notice to the State Emergency Board requesting retroactive approval to submit an application for the 2004 Federal Highway Administration On the Job Training/Support Services Program continuing funding of \$200,000.

6. Approval to amend the 2004-2007 STIP to change the project scope on project OR213: MP 26.6 - Highway 214 (near Silverton) in order to extend the northern limit of the listed pavement preservation project by approximately .85 of a mile.

Chair Foster declared a conflict of interest in regard to the Highway 99: Colver Road-Rapp Road acquisition, and the I-5 South Medford Interchange acquisition (Consent Calendar item #2).

Commissioner Achterman moved to approve the items on the Consent Calendar except for the Highway 99: Colver Road-Rapp Road acquisition, and the I-5 South Medford Interchange acquisition. The motion passed. Commissioner Papé was not present.

Commissioner Russell moved to approve the Highway 99: Colver Road-Rapp Road acquisition, and the I-5 South Medford Interchange acquisition; the two items for which Chair Foster declared a conflict of interest. The motion passed. Chair Foster abstained from voting. Commissioner Papé was not present.



Chair Foster adjourned the formal meeting at 2:00 p.m.



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Stuart Foster, Chairman

John Russell, Member

Gail Achterman, Member

Randy Papé, Member

Mike Nelson, Member

Jill Pearson, Commission Secretary