

ADVANCE COPY
SUBJECT TO REVISION

OREGON TRANSPORTATION COMMISSION

**Minutes of the Regular Monthly Meeting
May 24, 2006
Salem**

On Wednesday, May 24, the Oregon Transportation Commission (OTC) and Oregon Department of Transportation (ODOT) staff held an agenda briefing session in Room 135 of the Transportation Building, 355 Capitol Street NE, Salem. The regular monthly meeting was held 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	Driver & Motor Vehicles Admin. Lorna Youngs
Commissioner Randy Papé	Rail Division Administrator Kelly Taylor
Commissioner Mike Nelson	Public Transit Administrator Martin Loring
Deputy Director for Highways Doug Tindall	Chief Engineer/Technical Serv. Mgr. Cathy Nelson
Deputy Director for Central Services Mike Marsh	Region 1 Manager Jason Tell
Communications Administrator Patrick Cooney	Region 3 Manager Paul Mather
Trans. Development Administrator Craig Greenleaf	Region 4 Manager Bob Bryant
Executive Officer for Highways John Jackley	Region 5 Manager Monte Grove
Chief of Staff Joan Plank	Commission Secretary Kim Jordan
Motor Carrier Trans. Admin. Gregg Dal Ponte	

● ● ●

Chair Foster called the meeting to order at 9:38 a.m.

● ● ●

Deputy Director Doug Tindall provided the Director's report highlights, noting that Director Garrett was in Washington, DC, testifying on public-private partnerships.

- The Transportation Safety Division underwent a National Highway Traffic Safety Administration (NHTSA) management audit in April. NHTSA is reconstituting the audits after a decade of no reviews on state programs. The final Oregon audit is expected in June 2006. Troy Costales will provide a 2005 year-in-review report at the June Commission meeting, and may have details of the management audit to share at that time.
- The Federal Highway Administration (FHWA) recently approved ODOT's use of new procedures to produce Oregon-specific, live-load factors and their use in load-and-resistance factor ratings performed on state-owned bridges. This will allow the department to make more accurate and appropriate load capacity assessments of existing and new bridges in Oregon. The department still needs AASHTO's

ADVANCE COPY

SUBJECT TO REVISION

approval to adopt it as a standard which will take some time, but FHWA concurrence is a major step forward.

- On Monday, May 22, a successful groundbreaking event for the Interstate 5/Beltline project took place with Congressman DeFazio and Governor Kulongoski attending, along with a few ODOT representatives and a number of local stakeholders.
- A fourth Motor Carrier customer satisfaction survey was recently conducted involving over 4,600 customers. It rated six areas: timeliness, accuracy, helpfulness, expertise, availability of information, and overall service. Overall service was rated 90% excellent or good.

Mr. Tindall and the Commission recognized Gregg Dal Ponte and his staff for their consistent outstanding ratings.



Commission member reports:

Commissioner Papé reported the highlight of his month's activities was attending the Interstate 5/Beltline project groundbreaking event in Eugene.

Commissioner Nelson noted his appreciation for the informative April OTC workshop and meeting in Bend. Other activities throughout the month included a Damascus tour, meeting with the Clackamas County Commission, and Bend area tour. The new Tourism Task Force met in Baker City and it will meet quarterly to coordinate information between the different agencies. Commissioner Nelson also had the opportunity to tour Willamette Locks, which has recently benefited from ODOT discretionary funds. He also commented on a national award the Vista House received which was reported in the Transportation Enhancement Clearinghouse Newsletter, sponsored by the Federal Highway Administration. A May 5 Vista House ribbon cutting event was attended by the Governor, other dignitaries, and ODOT representatives. Also, Sunset Magazine (May 2006 edition) featured a noteworthy Vista House article.

Chair Foster agreed the April 2006 Bend workshop and meeting were very productive. He thanked staff for their efforts in bringing such a diverse group together, resulting in a very productive outcome. He attended the South Medford Interchange project groundbreaking event. Chair Foster advised this project is a necessary step to Southern Oregon's economy and it enables the community to proceed with high-quality planning and compact urban center growth that the City of Medford has developed in its East Medford plan. He also commented that Medford has only two interchanges, and the last time anything was done of any significance in the vicinity of the South Medford Interchange was when it was built, 45 years ago.

Chair Foster advised Commissioner Achterman was out of the country and Commissioner Wilson had something come up that prevented her from attending today's meeting.

ADVANCE COPY

SUBJECT TO REVISION



The following public comments were received.

- Terry Connolly, Eugene Area Chamber of Commerce, Director of Government Affairs, thanked ODOT, Commissioner Papé, Congressman DeFazio, and Governor Kulongoski for their support and participation at the I-5/Beltline Interchange project groundbreaking ceremonies. It is an important project for their area and urged continued support for it becoming a reality.

Mr. Connolly expressed frustration over continuing actions by the City of Eugene to withdraw their support for the West Eugene Parkway (WEP), despite the solid support for the project by Lane County, City of Springfield, Lane Transit District and over 57% Eugene voters. The City is currently withholding putting the WEP on the MTIP (Metropolitan Transportation Improvement Program) list. Instead, Eugene desires to pursue a collaborative process to identify another solution for transportation in West Eugene. He asked the OTC to urge the City to not interrupt the current process while pursuing the collaborative process. He also stressed the importance that there not be ambiguity from the State of Oregon about what the implications will be if the City lets deadlines come and go without updating the WEP into the MTIP list.

The Commission asked Mr. Connelly if he or the City had a solution to the impasse. Mr. Connelly indicated the City had offered none but he would support the collaborative process to look for other solutions. However, he wanted to keep the WEP on the necessary MTIP and STIP (Statewide Transportation Improvement Program) lists and moving forward while the collaborative process goes on. That way, earlier planning, engineering, design, and investment isn't brought to a halt.

- Rob Zako, 1000 Friends of Oregon, congratulated ODOT for the I-5/Beltline project groundbreaking event. He noted that years ago, there was opposition to that project in the beginning, but ODOT hired a consultant to put together a stakeholder working group to figure out how best to deal with the interchange issues. He thought that a similar process could help with a WEP solution, because he felt the WEP, as currently envisioned, is not going to get built. Mr. Zako supported the collaborative process and handed out copies of recent news clippings. (*Copies in General Files, Salem.*)

The Commission asked Mr. Zako if he had a solution. He responded there were many ideas for solutions; but, the problems of West Eugene are difficult and there is no perfect solution. He urged the Commission to support and participate in the collaborative process the City is proposing.



ADVANCE COPY SUBJECT TO REVISION

Mr. Marsh provided information on the proposed 2007 – 2009 Agency Request Budget, briefly going through the agency's revenues and expenditures for that period. He noted that if the Commission approves the proposed budget, there will be some minor, technical adjustments that will occur between now and September, as staff works with the Department of Administrative Services to finalize it for presentation to the Governor's Office. (*Background and handout material in General Files, Salem.*)

On the revenue side, the department is looking at stable revenues. Driver and Motor Vehicles Division revenues are expected to increase about 1% per year, due to forecasted stable demographics and personal income in the state. Motor Carrier revenues are anticipated to increase about 2% per year because freight movement by truck has been strong, and personal income and employment has been stable. An increase in federal SAFETEA-LU funds is also projected.

On the expenditure side, increases are expected for salary, medical insurance, pension bonds, and social security tax, resulting in an increase in personal services. This is due primarily to medical insurance premiums (the largest percentage increase) and salary increases budgeted for the first time in four years. Increases are also seen in the services and supplies; capital outlay; and debt services areas, caused primarily by increased delivery of OTIA III projects.

Mr. Marsh noted that Policy Package #405 was added to provide additional resources, allowing the department's research program to take advantage of significant opportunities provided by SAFETEA-LU, the new Federal Transportation Authorization Bill, and related research issues.

For the record, the Commission acknowledged the significant amount of time staff had devoted to provide the detailed information it needed to make informed decisions regarding the department's budget.

Commissioner Nelson moved to approve the Oregon Department of Transportation's proposed 2007 – 2009 Agency Request Budget. The motion passed unanimously.



Region 1 Manager Jason Tell and Lainey Smith, Region 1 Planning Manager, presented information regarding an amendment to the 2006 – 2009 Statewide Transportation Improvement Program (STIP). The amendment would add the Interstate 205 at NE Airport Way Interchange Project. Total estimated cost to complete the planning and project development work for this project is \$15 million. (*Copy of background material and PowerPoint presentation in General Files, Salem.*)

The Port of Portland will provide \$8 million, which includes \$1 million from a SAFETEA-LU earmark, to initiate project development work. The department will work with the Port and other partners in the Metro region to put together a package of funds that may include federal discretionary funds, earmarks, region funds, and other funds for the

ADVANCE COPY SUBJECT TO REVISION

remaining \$7 million. Estimated construction cost could be \$150 million. Mr. Tell indicated they would look very closely at where the money will come from and what design is the most affordable.

Commission discussion focused on its concern that ODOT was providing \$7 million in funding for planning and project development work, and where the construction money will come from. The Commission wanted to be clear that if it approves the amendment request, it does not mean the department will pick up the \$150 million construction tab. It also went on record to point out the facility design should be functional, given the constrained funding of all partners.

Mr. Tell indicated he had gotten the message loud and clear from the OTC and that he would immediately begin the regional partner conversation about the issues raised.

Commissioner Papé moved to approve the request to amend the STIP to add \$8 million, to be received from the Port of Portland, to begin the planning process for the Interstate 205 at NE Airport Way Interchange project. The motion was made with the knowledge ODOT may come back and request additional funding from a future undesignated STIP for the remaining \$7 million – along with the clear message that it does not want to spend more than \$7 million. The motion passed unanimously.



Doug Tindall and Jim Whitty provided an update on public information and acceptance activities underway and planned regarding three potential toll projects (Newberg-Dundee, Sunrise and South I-205 Corridors). This included information about one-on-one interviews with key organizations such as AAA, 1000 Friends, Columbia Corridor Association, Portland Business Alliance, Department of Land Conservation and Development to name a few, testing their attitudes for what is planned. This information, as well as public attitudes research, interviews with opinion leaders, focus group discussions and field surveys, will determine how to communicate with the public on these projects – especially when Milestone 1 is reached on the Newberg-Dundee project. A public outreach plan is being developed to be launched with the Stage 2 Feasibility Study at the end of the summer. *(Background material and copy of PowerPoint presentation in General Files, Salem.)*

In August 2006, the OTC will be asked for policy direction, and monthly tolling discussions are planned in June and July.

Pamela Bailey Campbell of Carter Burgess led the tolling policy issues discussion that carried over from the April Commission meeting. Remaining issues discussed: customer service center, toll rate setting, price strategies, and access restrictions and tolling rates by vehicle class. Policy approach, discussion, Washington's study and options to consider were areas covered on each policy issue.

ADVANCE COPY SUBJECT TO REVISION

The Commission asked about the marketing program: was it ODOT's responsibility and how will it be conveyed to the public? Staff advised that ODOT had direction from the Legislature to look at public-private partnerships and that ODOT has not developed a plan yet, because it hasn't decided yet if it is going to toll. The public may believe a decision has been made; but, ODOT does not want to develop a marketing plan for toll roads until a decision is made. If the decision to toll is made, then a broad information campaign letting everyone know how that decision was made would need to be done. Staff also shared its belief that local governments would need to take a leadership role and share in the responsibility of communicating toll information with the public.

An overview of how electronic tolling works will be the focus of next month's discussion.



Doug Tindall provided an information report on the SAFETEA-LU Earmark – Projects of National and Regional Significance on Interstate 5. This earmark is an allocation of \$160 million that Congressman DeFazio obtained to further strengthen the economic artery of Oregon – Interstate 5. It was based on Interstate 5 bridge needs and designed to complement OTIA III bridge funding – not replace it. (*Background material in General Files, Salem.*)

Bridges affected are primarily located between Salem and Eugene and are the ones with capacity issues. Mr. Tindall outlined the following recommended allocation of funds:

Widening of replaced bridges (required by FHWA)	\$ 52.72 million
Bridges not covered by the OTIA III State Bridge Delivery Program	\$ 29.03 million
Seismic retrofit of bridges	\$ 0.00 million
Reconstruction of interchanges around OTIA III bridges	\$ 15.00 million
Modification of bridges with limited vertical clearance	\$ <u>50.45 million</u>
	\$ 147.20 million

Oregon Transportation Commission approval will be requested when the department comes back to add projects into the STIP. The Commission will see each and every project.

The Commission agreed widening bridges between Salem and Eugene is a good use of funds. However, the Commission had concerns about bridges between Salem and Albany still not being wide enough when this effort was done. It was concluded that more discussion is needed before the Commission is asked to adopt the current recommendation.



ADVANCE COPY SUBJECT TO REVISION

Doug Tindall and Tom Lauer provided a combined monthly status report on the STIP, Oregon Transportation Investment Acts of 2001, 2002 and 2003, and the OTIA III State Bridge Delivery Program. *(Background material in General Files, Salem.)*

Mr. Tindall advised ODOT continues to move forward putting bridges into the design phase and getting bridges completed. Progress continues and it is still anticipated that all Stage 1, 2 and 3 bridges will be under contract before the end of 2006.

Mr. Tindall provided an update on the concerns the Associated General Contractors (AGC) brought to the Commission at their April 2006 meeting, about re-bundling bridges and increased use of design-build. He advised they were addressing issues of timing and the department's design-build process collaboratively with AGC and American Council of Engineering Companies (ACEC). It will most likely take a month or two more to work through all the issues, at which point staff would come back to the Commission with a solution and a final timeline that its stakeholders will agree on.



The Commission once again commented on the special recognition received by the Vista House, due in part, to the contribution of federal enhancement funds. The Commission expressed its appreciation to David Cox, FHWA Division Administrator.



During lunch recess, Bob Bryant provided an overview of the Redmond Reroute. Discussion focused on the present location of the northern end of the reroute and relocating the northern interchange less than a mile to the north where it would tie into O'Neil Way. *(Copy of a May 22 letter from Redmond Mayor Alan Unger, supporting the current northern reroute location over the new location, in General Files, Salem.)*

Commission and staff agreed it is late in the process to be considering a different reroute location, but given the long-term costs and viability of the project, it warrants discussion and further consideration. The North Interchange Area Management Plan is expected to be presented to the Commission at its June meeting in Boardman.



ODOT Sustainability Program Manager Damon Fordham provided an overview of the department's Sustainability Program. The overview included a general overview of sustainability; why sustainability is relevant to ODOT, work that has already been done, and development progress. *(Background material and copy of PowerPoint presentation in General Files, Salem.)*

Mr. Fordham explained sustainability is essentially using resources so we meet the needs of the current generation, but also allowing future generations' needs to be met.

ADVANCE COPY SUBJECT TO REVISION

It is a quality of life issue for our generation and future generations. Details of ODOT's Sustainability Program are provided in the background meeting material.

Mr. Fordham concluded by advising ODOT is taking a proactive stance and leading the way on a lot of the issues, not just in Oregon, but also nationally within other Departments' of Transportation. Our program has received good feedback from the Governor's Office and the Sustainability Board, chaired by Secretary of State Bill Bradbury.

The Commission noted the sustainability concept was important to ODOT and the Commission and it was high on the Governor's agenda. The Commission thanked Mr. Fordham for the excellent presentation and his worthwhile efforts. The Commission pledged to pursue sustainability with vigor.



Mike Marsh provided information on Supplemental Resolution No. 307. The supplemental clarifies the purposes that Series 2006 Highway User Tax Revenue Bond proceeds may be expended. Mr. Marsh explained the resolution the OTC approved last month just focused on OTIA III. However, because of accelerated spending within ODOT and the positive market conditions that exist, it makes sense to take advantage of the 4.56% rate the department can get and apply that to OTIA I and II also. This supplemental resolution allows ODOT to do that. (*Background material in General Files, Salem.*)

The Commission agreed this resolution would allow a significant reduction over what ODOT had planned for the long term, and will result in significant savings.

Commissioner Papé moved to adopt Supplemental Resolution No. 307. The motion passed unanimously.



The Commission approved the next two meeting dates as:

- Wednesday and Thursday, June 28 and 29, 2006, in Boardman.
- Wednesday, July 19, 2006, in Salem.

Deputy Director Tindall noted the Boardman meeting will include a short tour, a workshop on the Oregon Transportation Plan, and a no-host dinner is planned with local officials on June 28, with the regular monthly meeting on June 29.



The Immediate Opportunity Fund (IOF) request for Project Beaver and Project Duck in Molalla was removed from the Consent Calendar (Item #10) and placed on the regular

ADVANCE COPY SUBJECT TO REVISION

agenda. The request authorized up to \$500,000 in Type A Immediate Opportunity Funds for transportation improvements at the Four Corners Industrial Park in Molalla. Total estimated cost for roadway improvements is \$713,232. (*Background material in General Files, Salem.*)

Doug Tindall advised this approval request is different from the majority of IOF requests because it does not have a 50% match commitment. There is a commitment from the company to come to Oregon if the transportation infrastructure is improved around the project. The state highway system will benefit. Discussions with the Oregon Economic and Community Development Department (OECDD) indicate it understands the need to have a high level match and to not make this a precedent. OECDD is willing to work with ODOT to try and increase the amount of match, recognizing that Molalla does not have a lot of resources. OECDD would be willing to accept a conditional approval contingent upon looking at different sources of funds to see if the local match could be increased.

The Commission agreed this is a critical project for Molalla; it needs immediate action to preserve and promote additional jobs; state highway improvements are involved; and OECDD is willing to pursue additional match funds.

Commissioner Papé stated that given the concerns expressed about exceeding the 50% match on IOF projects, he moved to approve the IOF request contingent on negotiations with OECDD, the City, and the County, to assure that all possible funding sources are considered to generate additional matching dollars. The motion was unanimously passed.



The Commission considered approval of the following Consent Calendar items, noting that Item #10 had been pulled and approval noted above. (*Background material in General Files, Salem.*)

1. Minutes of the April 26 and 27, 2006, Commission meeting in Bend.
2. Resolution for authority to acquire real property by purchase, condemnation, agreement or donation.
3. Oregon Administrative Rule actions:

a.	Amendment of OAR 734-020-0005 relating to adoption of traffic control manuals.
b.	Amendment of OAR 734-082-0021 relating to travel restrictions.
c.	Adoption, amendment and repeal of rules in OAR chapter 735, divisions 1, 20, 22, 24, 28, 32, 150 and 152 relating to motor vehicle dismantlers.

(Note: Oregon Administrative Rule actions continued on next page.)

**ADVANCE COPY
SUBJECT TO REVISION**

d.	Adoption of OAR 735-001-0100, amendment of OAR 735-042-0010, 042-0020, and 154-0010 and repeal of OAR 735-154-0020 and 0030 relating to refunds when the agency receives money not legally due to the agency.
e.	Adoption, amendment and repeal of rules in OAR chapter 735, divisions 74 and 76 relating to at-risk drivers.
f.	Temporary amendment of OAR 731-146-0010, 731-147-0010, 731-148-0010 and 731-149-0010 relating to public contracting.

4. Reappointments of Mike Bogar, Ron Greb and Dave Riley to the Winter Recreation Advisory Committee. Appointments will be for four-year terms, expiring in June 2010.
5. Amendment to the 2006 – 2009 STIP to cancel the I-5: Dillard Access Safety Barrier project between Eugene and Creswell in Lane County. The remaining \$91,000 in funding will be transferred to two existing safety projects: \$30,000 to the OR 99: Barger – Washington project, and \$61,000 to the preliminary engineering costs for OR 222: Springfield South City Limits – Jasper Bridge project.
6. Amendment to the 2006 – 2009 STIP to cancel the I-84: Ladd Creek Culvert Retrofit project. Monies from the project near the City of La Grande in Union County (\$1,642,000) will be returned to the Fish Passage Program Financial Plan for use on other projects needing additional funding at this time.
7. Amendment to the 2006 – 2009 STIP to add a project for repairing deck joints on the I-205 Columbia River (Glenn Jackson) Bridge #09555 in Multnomah County. The cost of maintaining this bridge is shared equally by Oregon and Washington. Oregon's funding will come from an additional Bridge Program target for 2008 – 2009, which was approved by the OTC in December 2005. Total cost for this project is \$3,072,000. Oregon's share is \$1,536,000.
8. Amendment to the 2006 – 2009 STIP to add the I-84: Historic Columbia River Highway, Mitchell Point – Hood River project in Hood River County. Estimated cost for preliminary engineering and right-of-way activities is \$557,228. Construction funding is not available at this time.
9. Amendment to the 2006 – 2009 STIP to add the I-205: OR 213 Interchange (Oregon City) project in Clackamas County. Estimated cost for this project is \$3,120,470, which will fund the development and completion of an Interchange Area Management Plan.
10. Authorize up to \$500,000 in Type A Immediate Opportunity Funds to fund transportation improvements at the Four Corners Industrial Park in Molalla, Oregon. The total estimated cost for the roadway improvements is \$713,232. *(Item pulled from Consent Calendar.)*

ADVANCE COPY
SUBJECT TO REVISION

11. Appearance before the June 2006 meeting of the Legislative Emergency Board regarding the following nine items:
- a) Report on efforts to manage available cash as directed by a Budget Note included in the 2005 – 2007 Legislatively Adopted Budget.
 - b) Report on the *ConnectOregon* program and to request an increase of \$30,000,000 in Other Funds limitation for implementation of the program.
 - c) Report on the implementation of the federal REAL ID Act and on Senate Bill 640 passed by the Oregon Legislature, and to request two limited duration positions (.625 FTE) and an expenditure limitation increase of \$1,651,755 Other Funds for initial implementation of the requirements contained in the legislation.
 - d) Retroactive approval to apply, receive and expend a federal grant offered by the Federal Transit Authority. If the Oregon federal grant application is selected, the Oregon Department of Transportation is the receiving agency. The award, in the amount of \$1,000,000, will be used to construct the Historic Columbia River Highway State Trail within the Columbia River Gorge National Scenic Area. This application requests funding for a specific section of the Historic Columbia River Highway between Warrendale and Moffett Creek.
 - e) Apply, receive and expend a federal grant offered by the United States Department of Transportation, Highways for Life Program, for the State Bridge Program and for the Oregon Transportation Investment Act III Bridge Delivery Program. The anticipated amount of the Oregon award is \$5,000,000.
 - f) Apply, receive and expend a federal grant offered by the United States Department of Transportation, Innovative Bridge Research and Construction Program, for the State Bridge Program and for the OTIA III Bridge Delivery Program. The anticipated amount of the Oregon award is \$1,300,000.
 - g) Seek permission to rebalance the Oregon Department of Transportation Budget Limitations.
 - h) Establish one limited duration position (1 FTE) in the Public Transit Division. A limited duration position is needed to get several new programs and requirements authorized in SAFETEA-LU started. This position will be permanently requested as a policy package as part of the 2007 – 2009 Agency Requested Budget.
 - i) Establish one limited duration position (1 FTE) in the Office of Employee Safety. The position will manage workers' compensation claims. This position will also be requested as a policy package as part of the 2007 – 2009 Agency Requested Budget.
12. Adopt a Special Transportation Area in the City of Halsey (Linn County), on OR 99E, from Milepoint 19.50 (C Street) to Milepoint 19.75 (H Street). This action is an amendment to the Oregon Highway Plan.

ADVANCE COPY
SUBJECT TO REVISION

Chair Foster reported a conflict of interest he had on Consent Calendar Item #2, the US 199 @ Laurel Road (Cave Junction) property on the Redwood Highway, Map No. 10B-21-06. This property was pulled from the Consent Calendar.

Commissioner Nelson moved to approve all consent calendar items with the exception of Item #10 and the specific property noted above as part of Consent Calendar Item #2. The motion passed unanimously.

The US 199 @ Laurel Road property was deferred to next month's agenda.

● ● ●

Chair Foster adjourned the meeting at 2:10 p.m.

● ● ●

<hr/> <p>Stuart Foster, Chairman</p>	<hr/> <p><i>Not present at the meeting.</i> Gail Achterman, Member</p>
<hr/> <p>Randy Papé, Member</p>	<hr/> <p>Mike Nelson, Member</p>
<hr/> <p><i>Not present at the meeting.</i> Janice Wilson, Member</p>	<hr/> <p>Karen Elliott, Commission Support</p>