

APPENDIX D

Case Studies

These case studies provide examples of the process and problems that ODOT and local governments have experienced in making jurisdictional transfers. They provide ideas about options, but do not define how the process should work. They are based on presentations at the December 1999 meeting of the Highway Plan Committee and follow-up interviews.

1. **ODOT – Washington County transfers** – Jerry Parmenter, Washington County Land Use and Transportation Capital Projects Manager

- A. **Transfer of Scholls Ferry Road, Oregon 210 (Highway 143), a District Highway, major segments from beyond Beaverton-Hillsdale Highway to Highway 219** (ODOT retains two major intersections.) The major reason for the transfer was that Washington County recognized that Scholls Ferry Road served mainly local functions and was needed to serve as a major county arterial; the highway also needed major improvements to address congestion issues that were not ODOT funding priorities.

Washington County and ODOT agreed that if the state funded 50 percent of the project, the county would take over jurisdiction. The project was funded with county, state and private developer monies. ODOT transferred the portion of the road inside the Metro urban growth boundary (UGB) at the beginning of the project and later transferred the portion outside the UGB.

Before undertaking the project, ODOT, the county, Beaverton and Tigard (cities affected) agreed on the design standards. They used county design standards because it was less expensive, the county wanted to use its standards, and the cities were able to incorporate some of their unique standards. It was a win-win for each jurisdiction. The agreement also said that the project would use county access standards.

Since there were maintenance concerns, ODOT and the county combined some maintenance money, and the county did major overlay and maintenance work under an intergovernmental agreement to take advantage of the summer season before the transfer.

- B. **Transfer of Oregon 47 (Highway 102) from Beal Road to Tualatin Valley Highway near Forest Grove.** Old Oregon 47 goes past Pacific University and through downtown Forest Grove. The transfer involved building a new bypass on the north side of the city, transferring part of Old OR 47 to the City of Forest Grove and part to Washington County. The county and city combined to contribute 50 percent for project costs with the city contributing \$1 million. Washington County did the design work and acquired the right of way; ODOT

contributed 50% and did the construction of the new bypass. The bypass was designed to ODOT standards because it was to be a state highway.

In both cases, the county negotiated to get the projects done because the local citizens were putting the pressure on to get the roads fixed. The public did not care whose road it was. The citizens wanted the roads brought up to modern standards and were willing to fund part of the projects with property taxes to get the jobs done. Washington County had pressured ODOT and the OTC about fixing both roads. There were “hard-nosed negotiations” among the state, the cities and the county in reaching the agreement.

In response to a question about whether ODOT should just hand over the cash to get out quicker rather than fighting over standards and other issues, Jerry Parmenter said that both the county and ODOT learned that cost estimating was not very good. Every project was poorly estimated, mainly because of the costs of right of way and access control. The costs also changed dramatically over time because of water quality issues and inflation.

Lessons to Share. There is creativity in each swap. Each transfer has its own idiosyncrasies. Sometimes local money, developer money and land swaps are involved. Negotiations sometimes hinge on getting work done in a construction season. Parmenter believes the success of a transfer comes down to the willingness of both parties to negotiate a fair deal that’s a “win-win” for both sides.

2. Transfer of Lafayette Avenue, Highway 18 Spur, a District Highway, in McMinnville. Don Schut, Community Development Director, City of McMinnville.

Lafayette Avenue was a narrow two-lane District Highway, an urban arterial with no drainage and no sidewalks. A stop in the McMinnville downtown core was jammed up. Pavement conditions varied from fair to poor. McMinnville struggled for many years to improve the road through the STIP process so that the highway would have two standard lanes, signals at three locations and a turn lane.

In 1996 the proposed improvements were part of a city bond measure. The City of McMinnville agreed to fund the project, but ODOT would administer the project and still own the road. Then the city and ODOT found that the project could not be designed to state standards because of the narrow right of way. The parties also found that the cost was underestimated and the project was going to cost about \$7 million. The McMinnville City Council did not want to phase the project.

ODOT agreed to contribute \$1.5 million in exchange for transfer of the road to the city. Finding revenue and other issues took so much time that the City Council in frustration agreed that they would put general fund money into the project. The city contributed \$2 million from its general fund in addition to bond and systems development charge money. The project could not access federal money because it did not follow federal design guidelines.

Access control and utilities were not issues in the transfer. The transfer has been completed.

Lessons to Share. The state should be more up front about its desire to transfer the road. But each highway segment has to be assessed on its own.

- 3. Transfer of Siskiyou Boulevard (Highway 99W), a District Highway, in Ashland.** Monte Grove, Area Manager, RVACT; John Vial, Manager, ODOT District 8; and Paula Brown, Public Works Director, City of Ashland.

Siskiyou Boulevard, between the library and Southern Oregon University, was two lanes in each direction with sidewalks, but it had no bicycle facilities. There was very heavy pedestrian and bicycle traffic since this route served the university, schools and the downtown core. It functioned as a downtown city street, not as a state highway. The highway pavement was in poor condition. The city had requested a widening project for many years, but there was a lot of disagreement on design issues involving vehicle and bicycle lane widths and aesthetics. With the city's focus on tourism and the use of Siskiyou Boulevard as the backbone of the community, the city wanted to maintain the roadway at a higher standard than ODOT.

ODOT made the \$2.2 million modernization project in the STIP contingent upon the city's building the project and taking over jurisdiction along the 1.3-mile section of the boulevard. The project accommodates bicycle travel, improves pedestrian access, ADA and safety concerns and allocates bus turnouts. The transfer agreement includes payment for 20 years of ODOT-level maintenance costs.

Both ODOT and the city say that the biggest issue in the transfer was establishing the valuation for maintenance and finding adequate funding. The city staff feared that they could not trust ODOT with funding equity.

Access control was not an issue since ODOT did not own access rights. However, all utility franchises were transferred to the city; this made the utilities subject to city franchise fees. The problem is that no one is sure who owns what. The transfer agreement contained dates for certain milestones, including when ODOT would transfer money. Since this agreement involved a full jurisdictional transfer, ODOT maintenance responsibilities do not continue when the transfer is completed.

Lessons to Share. The city has to expect to take responsibility for the street and to take care of it the way the city wants. Both parties have to have a real desire for the transfer to happen; otherwise, it will fail and the city will be left with a core city street at ODOT District level maintenance with inadequate bicycle and pedestrian facilities.

- 4. Trade Involving Hermiston Highway (State Highway 333, a Regional Highway).** Tom Carman, Region 5 Federal Aid Specialist.

Hermiston is experiencing phenomenal growth. Traffic congestion has increased, especially truck traffic trying to get to I-395 into Washington state. The state highway has been functioning like a city street. Transferring jurisdiction has been discussed for 15 to 20 years because of the problem with maintenance, but no one could get together on whose standards to use. The city initiated the recent effort.

This transfer involved a straight exchange of roads with no money exchanged and no maintenance clause. The two-mile state highway route was removed from downtown Hermiston and moved to a roadway that is a more direct route for through traffic.

Access control was not involved. But the transfer took time to get through the system.

Lesson to Share: Be patient.