

MINUTES

Lane Area Commission on Transportation (LaneACT)
McLane Room
Oregon Department of Transportation, Area 5
644 A Street, Springfield, OR 97477

February 11, 2015
5:30 p.m.

- PRESENT:** Jerry Behney, Coburg
Tom Munroe, Cottage Grove
Dave Stram, Creswell
Maurice Sanders, Dunes City
Claire Syrett, Eugene
Mike Miller, Florence (teleconferenced)
Mike Cahill, Junction City
Steve Paulson, Lowell
Hillary Wylie, Springfield
Tim Brooker, Veneta
Sid Leiken, Lane County, *Vice Chair*
Jeff Stump, Confederate Tribes (teleconferenced)
Ron Kilcoyne, Lane Transit District (LTD)
Charles Tannenbaum, Highway 126 East
Frannie Brindle, Oregon Department of Transportation (ODOT)
Paul Thompson, Central Lane Metropolitan Planning Organization (MPO)
Martin Callery, Rail Designated Stakeholder
Bill McCoy, Trucking Designated Stakeholder
Holly McRae, Bicycle and Pedestrian Designated Stakeholder
Mia Nelson, Environmental Land Use Designated Stakeholder
(teleconferenced)
George Grier, Other Stakeholder, *Chair*
Jennifer Jordan, Other Stakeholder
Eugene Organ, Other Stakeholder
Ryan Papé, Other Stakeholder
- ABSENT:** Oakridge, Westfir; Port of Siuslaw; Lane County Roads Advisory Committee; and Shelley Humble and Gary McNeel, Other Stakeholders.
- OTHERS:** Chris Cummings, Becky Knudson, David Reesor, ODOT; Sasha Luftig, LTD; Rob Inerfeld, City of Eugene; Ric Ingham, City of Veneta; Lydia McKinney, Lane County; Mary McGowan, Lane Council of Governments (LCOG).

1. Call to Order (Welcome and Introductions)

Chair George Grier called the meeting of the Lane Area Commission on Transportation (LaneACT) to order at 5:30 p.m. Members and the audience introduced themselves.

During the introductions, newly appointed LaneACT members Councilor Brooker, Councilor Syrett, and Mayor Cahill described their government experience and interest in transportation issues.

2. Review Agenda – Additions or Deletions

Mr. Grier announced he was moving Agenda Item 5, *ConnectOregon V* Update to be later in the agenda. Chris Cummings, ODOT, would give the update prior to his presentation on commodity flow (Agenda Item 9).

3. Consent Calendar

A. Approve Minutes (January 14, 2015)

B. *ConnectOregon V* Letter of Support: City of Eugene Bike Share

Consensus: Both items on the Consent Calendar were approved as submitted.

4. Comments from the Audience

There were no members of the audience wishing to address the committee.

6. STIP Enhance Update

Mr. Reesor announced the materials for the 2015-2018 Statewide Transportation Improvement Program (STIP) applications had been posted to the ODOT website (please refer to the *Enhance Process Documentation* section on the web page:

<http://www.oregon.gov/ODOT/TD/STIP/Pages/WhatsChanged.aspx>). He distributed a handout entitled, *Enhance Timeline for the 2018-2021 STIP, February 11, 2015* and placed copies of the *Oregon Department of Transportation Enhance Proposal Form* at the reception table. Mr. Reesor explained most of the funds were earmarked for projects that directly or indirectly benefitted the state transportation system. There was limited funding available for projects with only localized impact.

Dave Stram joined the meeting at 5:40 p.m.

When Mr. Grier asked Mr. Reesor to give an overview of STIP for the new LaneACT members, Mr. Reesor described the four-year transportation capital improvement program and the application process for local governments to propose enhancement

projects. Mr. Grier described the process previously undertaken by LaneACT to review the projects and prioritize them and the subsequent negotiations done at the SuperACT.

Responding to Mayor Cahill's request for examples of past projects, Ms. Brindle clarified the last round of the STIP projects had been approved but not yet built. She cited the Franklin Boulevard Modernization in Springfield and two bicycle projects in Eugene, the Amazon Active Transportation Corridor and the Jessen Path and Lighting project. Ms. Brindle offered to give an update on the projects at a future meeting. Mr. Grier requested staff distribute the complete list to LaneACT members. (It was available on the website: <http://www.oregon.gov/ODOT/HWY/REGION2/docs/area5/LaneACT%20150.pdf>).

Mr. Reesor emphasized the pre-proposal collaboration period (January – May of 2015) was underway. ODOT Area Managers (e.g., Frannie Brindle) were available to provide applicants technical assistance. He offered to answer any questions LaneACT members might have regarding the STIP Enhance application process.

7. Lane County Motor Vehicle Fee

Commissioner Leiken gave an overview of the transportation funding challenges facing Lane County, specifically the need to replace declining federal Secure Rural Schools and Community Self-Determination Act funds for routine road maintenance and emergency repairs due to extreme weather conditions. Lane County was responsible for over three thousand road lane miles and four hundred bridges. He noted forty percent of the revenues from the proposed fee were allocated to cities, using the existing state formula (which was based on population). Commissioner Leiken highlighted that the Board of County Commissioners (BCC) had the power to enact the fee but had chosen to refer the measure to voters as part of the May 19, 2015 ballot.

Ms. McKinney gave a PowerPoint presentation entitled, *Lane County Regional Road Fund: Revenue Restoration for a Safe System*. A copy of the presentation was included in the agenda packet. She said County elected or appointed officials had been given a similar presentation to most of the city councils in Lane County. Ms. McKinney reviewed the fiscal need and process undertaken to determine the best revenue option. She emphasized an adequate transportation system was a public safety issue. Ms. McKinney described how deteriorating road quality resulted in escalated costs for repairs. She detailed the reasons why the vehicle registration fee was recommended by the 2010 Revenue Options Committee, the Roads Advisory Committee, and the BCC and highlighted that the revenues were restricted to road purposes. To ensure the public trust, the BCC had required an annual audit and citizen oversight committee. Ms. McKinney listed how the \$11 million in revenue was divided among Lane County and the twelve cities therein. The BCC had authorized a Voters' Pamphlet and public information was to be available in a variety of formats. In conclusion, she stressed how important it was for cities, as regional partners, to support the proposal.

Commissioner Leiken elaborated on the thinking behind a registration fee instead of a County gas tax. As a member of the state's Road User Fee Task Force, he was well aware of the factors contributing to the decline in gas tax revenues. Also, a County gas tax was a more complex approach because some cities had enacted their own taxes on gasoline and there were those who would campaign against it because of the precedence.

When Mr. McCoy asked why the County had not looked at taxing private timber as a revenue source, Commissioner Leiken explained Oregon state statute forbid counties from enacting such a tax. Councilor Paulson followed up on the issue. When he asked if the BCC was working to change the law, Commissioner Leiken said the Association of Oregon Counties (AOC) had opposed Representative Holvey's proposed legislation to tax private timber. However, officials from some counties were still pursuing the idea.

Councilor Sanders had several questions: Was there a sunset provision? Were cities restricted in how they used the revenue? Given the regressive nature inherent in the revenue allocation formula, was there any consideration to setting a minimum threshold of 1% for cities? Why hadn't a representative from Lane County come to a Dunes City council meeting? Ms. McKinney responded there was no sunset provision and cities must use the revenue for roads. For cities with very few or no roads under their jurisdiction, the funds could be used to leverage a County project that benefitted the city.

When Ms. McKinney explained there had been scheduling difficulties with Dunes City, Commissioner Leiken offered to meet with them. He also offered to attend local community organizations, e.g., the Junction City tri-county Chamber of Commerce.

Commissioner Leiken added it was problematic to change the state formula for allocating the revenues. He described ways in which the County had helped smaller cities with transportation projects in the past and offered providing technical assistance in the future.

Mayor Munroe noted the County had vacated some roads to the City of Cottage Grove and he thought these funds might address the maintenance needs. He stressed the importance of educating the electorate.

Conversations turned to the need to educate the public on the need for the proposed fee. Councilor Sanders noted they should expect push-back as people's biennial registration fees would go from \$86 to \$156. Ms. McKinney said the Secretary of State's office was reviewing the public information drafted and she expected it to be uploaded to their website the following week. She offered to e-mail LaneACT members the website link.

Councilor Wiley thanked Commissioner Leiken for the County's leadership in addressing the situation. There was no "pleasant" solution to getting the needed revenue to address road maintenance. She said the City of Springfield supported the proposal.

Councilor Behney concurred. He added the City of Coburg appreciated any revenue they would receive from the fee and noted it would be well spent.

8. Rough Roads Ahead: Roads Update

Becky Knudson, ODOT Transportation Development Division Senior Transportation Economist, gave a PowerPoint presentation entitled, *Rough Roads Ahead: Economic Impacts of Deteriorating Highway Conditions*. A copy of the presentation had been given to each LaneACT member prior to the meeting. The full report was online (<http://www.oregon.gov/ODOT/COMM/Documents/RoughRoads2014.pdf>). Ms. Knudson introduced the topic by saying, “Freight represents the economy in motion”. She described the types of goods produced statewide, noting in Lane County 30% of local production was classified as Heavy Goods (farm, forest, chemical, machinery, paper, sand and gravel). Trucks carried over 70% of the freight moved in Oregon (more than all other modes combined), whether measured by tons or dollar value. When Mr. Papé asked if the freight moved by mode would change in the future, Ms. Knudson said she did not believe there would be significant change unless the costs associated with using trucks significantly increased.

Poor bridge and pavement conditions meant higher transportation costs due to increased vehicle operating costs and additional travel time due to detours and more congestion. Local roads and bridges were not built to support heavy freight. It was imperative the state highway transportation system be maintained. Ms. Knudson contrasted the funding needed to maintain the transportation system’s condition (\$930 million) to the amount currently budgeted (\$525 million). She emphasized the cost to maintain the system increased in relation to its deteriorating condition. ODOT staff had developed a forecast model that integrated economic, land use, and transportation data. The model showed how the economy was affected by different transportation spending scenarios. The projections of the impact by 2035 of deteriorating highway conditions was 103,000 forfeited jobs, a reduced Gross Domestic Product (GDP) of \$94 billion, and increased vehicle operating costs for both businesses and individuals.

Commissioner Leiken observed Oregon was primarily a small business state. He asked about ODOT’s commitment to improving short-line rail services. Ms. Knudson suggested the question was best answered by Mr. Cummings. Stakeholders needed to work together more to strategize options.

Mr. Callery explained Class I railroads hauled large trains, long distances. Their biggest clients were truck companies. Short rail lines served local businesses and had and could eliminate truck miles. He described the advantages to local businesses of adding interchange tracks to the short rail system.

Mr. Papé said his company had added truck dealerships to their portfolio. He was confident trucks would remain the dominant transportation mode for freight.

When Councilor Paulson asked if the model provided a breakdown of the economic impact by transportation corridor (e.g., I-5), Ms. Knudson said it did not at the present time but she would add that to the list of system enhancements requested.

Mr. Thompson described the impact of the federal Moving Ahead for Progress in the 21st Century Act (MAP 21) requirements. If the MAP 21 performance measure for pavement preservation remained as it was, Oregon had to repave the asphalt on the Interstates every four years, which consumed all federal funds allocated to Oregon transportation projects.

Councilor Sanders observed the added costs for individuals to operate their vehicles on deteriorated roads was less per year than the increase proposed by the Lane County vehicle registration fee.

5. ConnectOregon V Update

Chris Cummings said the Oregon Transportation Commission (OTC) public hearing was held January 15, 2015. As expected, the meeting was heavily attended. The OTC had also received many submittals of written testimony. The Eugene Bike Share application had been supported in both oral and written testimony. The deadline for public testimony was February 12, 2015. Mr. Cummings acknowledged the LaneACT letter of support for the Eugene Bike Share program approved earlier in the agenda. He said the OTC had originally scheduled their funding decision for the February 19, 2015 meeting. However, the decision had been postponed. No date certain had been set.

9. Commodity Flow Update

Chris Cummings, ODOT Freight Planning Program Manager, gave a PowerPoint presentation entitled, *Commodity Flow Information*. A copy of the presentation was included in the agenda packet. He also left at the reception table copies of: *The Oregon Freight Plan, An Element of the Oregon Transportation Plan, Adopted June 15, 2011* and *Oregon Freight Plan, Executive Summary, 2011*. Mr. Cummings reviewed the process to develop the Oregon Freight Plan. The plan guided the three-person Freight Planning Unit's decisions regarding freight operation, maintenance and investments. He discussed the state's Strategic Freight Network and key projects, e.g., intermodal connectors and bottleneck identification/resolution. Between 2002 and 2035, freight weight moved was expected to increase by 88% as the state's population and economy continued to grow. Trucks moved the most freight weight and value, although air freight was growing in market segment (especially for high cost, low weight products such as electronics).

Mr. Cummings discussed maps illustrating the dollar value of goods moved from and to Lane County. He detailed the commodity groups comprising Lane County's exported goods, highlighting the Machinery/Instrument/Transportation Equipment/Metals category represented 54% of the region's goods by value whereas the dominant category by weight was Forest/Wood Products. Commissioner Leiken opined the Food or Kindred Products sector was growing in Lane County, citing craft breweries as an example. Referencing the previous question about short rail, Mr. Cummings suggested future transload facilities be designed to handle multiple commodities. Mr. Cummings emphasized his primary purpose for making the presentation was to make LaneACT

members aware of the types of freight data ODOT maintained. He offered to consult with agencies on prospective transportation projects.

When Mr. Grier inquired as to the source of the data presented, Ms. Knudson explained commodity flows and estimates were based on the Federal freight analysis framework. She hoped her office could work on a state commodity forecast in the near future.

Responding to Ms. Brindle's question as to whether the model for the Strategic Freight Network was able to predict the impact of a particular change in the system, e.g, a port or a railroad closure, Ms. Knudson said thought the model was capable of providing the information but required some additional analysis to do so.

10. Announcements and Info Sharing

Ms. Brindle gave the ODOT update. She announced the formation of a Safety Task Force for Highway 126 West (between Eugene and Florence), chaired by County Commissioner Jay Bozievich. The multidisciplinary group planned to review the 2005 study, assess the impacts of recent changes, and update the recommendations. The first meeting was planned for March 8, 2015 in Veneta. Ms. Brindle also noted ODOT Region One was considering establishing an ACT in lieu of their existing joint policy committee. The OTC would vote soon on giving them permission to establish a charter. On the state legislative front, Ms. Brindle relayed there was bipartisan support for some form of a transportation funding package.

Mr. Thompson reported the MPC had not held a December meeting, therefore no minutes had been included in the LaneACT meeting packet. The January meeting had been held the previous week. Many of the topics covered were the same as those addressed at recent LaneACT meetings.

Mr. Grier said he planned to attend the OTC meeting on February 19, 2015. ACT chairs had been invited to come discuss the STIP process. In early March, the Chair and Co-Chairs of the two ACTs in ODOT Region 2 were meeting to set regional priorities. He invited LaneACT members to forward their suggestions to him.

There were no additional announcements from LaneACT members.

The meeting was adjourned at 7:29 p.m.

(Recorded by Beth Bridges)