

RVACT *Rogue Valley Area Commission on Transportation*

155 N. 1st Street • P.O. Box 3275 • Central Point, Oregon 97502 • 541-664-6674
FAX 541- 664-7927

To: Members, Rogue Valley Area Commission on Transportation

From: Pat Foley, RVCOG

Re: Summary of July 10, 2007, RVACT Meeting, ODOT Conference Room B, White City

Date: July 11, 2007

Members and Alternates in Attendance: Arthur Anderson and John Vial, ODOT; John Morrison and Paula Brown, Ashland; Dale Petrsek, Jackson County; Jim Raffenburg and Frank Bosshardt, Josephine County; Lynn Perkins and William Cecil, Talent; Carlos DeBritto and Bob Lewis, Phoenix; Ruth Keith, Shady Cove; Mike Quilty, MPO Policy; Ernie Garb, RVTD; Alan DeBoer, Reeve Hennion, Stacy Kellenbeck, John Watt, Richard Smith, Jeff Hunter and Mike Montero, private sector representatives from Jackson and Josephine Counties

Members Absent: Butte Falls, Cave Junction, Central Point, Eagle Point, Gold Hill, Grants Pass, Medford, Rogue River, and private sector representatives Craig Stone and James Lowe,

Staff: Debbie Timms and Gary Leaming, ODOT; Pat Foley, RVCOG.

Other: Julie Rodwell, Jim D'Alessandro, Alex Georgevitch, Kevin Preister, Vicki Guarino and Don Witt

1. Self Introductions

Mike Montero

Chair Mike Montero asked all participants to introduce themselves. A quorum was present.

2. Approval of Minutes

Mike Montero

Mike Montero asked if there were any changes to the March 13, 2007 RVACT minutes. The minutes were approved as written.

3. Public Input

Mike Montero

Don Witt, resident on Agate Road, asked that a 40 or 45 mph speed limit be considered in the future on Agate Road. Agate Road is narrow, has no shoulders and does not have speed limit signs. The road is becoming more and more congested and is used by logging trucks and local farmers. He feels that there are going to be accidents because of speeding. Dale Petrsek, JACO Public Works Director, gave him his business card and ask that Don contact him.

4. Oregon 140 Freight Study

Julie Rodwell

Handout:

- *OR 140 Study Overview - Power Point Presentation*

Julie started by pointing out that Hwy 140 is an old highway that goes through rugged terrain and is a narrow highway. The issue that came up and that ODOT was asked to look at is what it would take to remove the length restrictions between Klamath Falls and Adel. There are several places that are so narrow that there is a 65' length restriction. From Adel to the Nevada border the length restriction is 60'. There are a lot of rigs that cannot get through. Doherty Slide area is of particular concern with 66 turns. The purpose of the study is to see what would be the costs to lift the length restrictions. Not obviously to bring the whole highway up to standards. We are in the middle of it. We have a lot of the engineering work done. We have recently talked to the farmers because some of them, this is their only access. The people involved are ODOT (Freight Mobility Section, Regions 3 and 4, Districts 8 and 11), *because the geographic is primarily Klamath Falls to the border, this region has not been that involved. But it is your customers and that is why it matters to RVACT and this area even though the terrain is in Region 4 and it would be their money if improvements were made. It is definitely Rogue Valley customers. There is a small Technical Committee with a couple industry people and ODOT.* We have been working through these two organizations, RVACT and South Central ACT to do our outreach. Our consultant is Sorin Garber with David Evans.

We are primarily looking at the Klamath Falls on east area. East of Klamath Falls the restrictions, because of 11 segments with problems. It is roughly a 100 mile detour if you have to take another route. This is by far the shortest east/west corridor. Because of the conditions it is the most challenging.

We are looking at the costs and benefits. It is not a full blown cost/benefit study because ODOT typically does not do that in designing work projects. Getting an assessment of the traffic that would use this route if it were made more feasible (length restrictions went away). When we get done with all of this it would still go into a normal STIP process. Having the work done puts this set of projects in a better position.

Status to date:

- Interviewed shippers, carriers and farmers
- Road test to check to see if the restricted areas were still appropriately restricted
- Completed baseline analyses
- Are developing truck traffic diversion methodology

The total cost of construction between Klamath Falls and the Nevada border is over \$60M. If just the tightest spots and do design exceptions that would fall to \$27.2M.

We have spent \$32M on different aspects of Hwy 140. A lot of those projects are pavement reconstruction. Things that have actually improved the condition and got rid of some tight spots, out of the 31m the \$10M actually contributed to solutions.

In terms of future STIPS there is another \$12M that is programmed that would address the problem out of the \$30M. The previous study came up with a cost of over \$50M. and another \$27.2M needed.

The design standards we have been working with the 11' lane width. The critical thing is the curvature room.

When you come to all of the projects that are needed it is over \$68M.

Other issues: the whole corridor is sprinkled with historic Indian sites. Doherty Slide where you would need to take out a curve is one of the biggest burial grounds. This is an issue today. This is also a wilderness protection area. Special protected fish in Warner Canyon.

Recount of monies spent and what is still needed.

Variation in truck traffic.

The agricultural issues. Klamath and Lake Counties rank high in the state in terms of agricultural products. Cattle is big business.

Rigs are getting bigger. They have been coping. There are changes in the cattle rigs. Shrinking supply of rigs.

Length restrictions slide.

What's next?

Questions:

John Vial: this was talked about before, the danger of the route. Did you find that primarily serving the local agricultural or if the route was for the long haul truck? Julie, a lot of the long haul truckers would use it.

John Watt: How many trips per day is that route running? Julie in the east section it is only about 300 per day. When you get west of 97, it is difficult to answer. I will get something more definitive. That is the question; if there are 300 a day now, is it going to double, quadruple. Eventually you get to the question what will be the effect on the pavement.

Mike Quilty: Has they looked at what would happen if the Port of Coos Bay finishes their project for the container vessels and the impact that might have on truck traffic verses moving stuff by rail. Julie, no that wasn't part of what we were looking at. Now that project is growing legs I guess that could be the next round of looking at the connectivity of the southern Oregon system. We are looking embarking on a statewide freight plan. That kind of topic could be a work order under that plan.

Art Anderson: What is the funding strategy. Is this going to be something that we will try to piecemeal over several years through the ACT process in MOD projects. Is it something that we might take to the legislature for separate funding. Julie, we aren't to that point. I think that the county commissioners feel pretty strongly, especially in Lake County, about doing something more pro-active than just waiting for STIP money. Some of them did get together and ask for a \$60M federal earmark, they got \$1M. That is out of our hands but that could happen again. It is going to depend on the sense of urgency when we get all of the work done. It is not something that ODOT can commit to at this point.

Alan DeBoer: I would assume that this would be a real priority for federal and state supporting our agricultural and be able to get that product east. If you are looking at the amount fuel saved, it leads into all of the other things that helping those truckers. I am excited about the project. I can't think of a better thing that we could be doing as a state in supporting our industry and saving fuel at the same time. Julie, I think that one of the really tough questions that might face this organization is would Region 3 be willing to put some of its money into something that is beyond Region 3 because it serves your people. That question may be asked. Alan assumes that we are going after federal money on this. Julie, we are not at the point of pursuing what might be in the next SAFTELU. As far as current federal money I really cannot answer beyond the current STIP. These are political things that need to happen beyond ODOT. Alan, should the conversation be started now with our federal elected officials.

John Watt: Sooner than later because they are spending down the highway trust fund. There is not going to be any money left in it. Alan asked how do we get a letter to Walden and Smith and Wyden about putting this on your radar. It is something that Oregon needs and something that is good for the federal government. Julie recommended that you do pursue that as the ACT or as the local elected officials that can be done. Where this will shake out in terms of all of the other needs is hard to say because it is at the moment, even if we show large amounts of detoured traffic, this is still a low volume corridor and some of the other pressing needs like the Medford exchanges and numerous other things up and down I-5. It is hard for me to answer that right now. But political pressure definitely makes a difference.

Mike Montero; What does ODOT contemplate they are going to have the freight Master Plan completed. Julie said we will have a first cut deliverable by fall of 2008, an action plan. But obviously when you think about all of the freight issues, it is going to be an ongoing process beyond that. we are setting up a consultant process where we do work orders. One of the first big work orders will be a deliverable that will frame the conversation in the 2009 legislative session. Beyond that, there are a lot of other things that we need to do.

Mike Montero: I think that the approach that the department is taking about the base analysis that has this project, so to speak sitting on the shelf, available should funding come along is really a good thing. I think that, however, that groups likes this ACT, certainly the OTC is going to be challenged to prioritize where they deploy scarce resources so I think that it would be important for this group to stay engaged with this whole freight discussion and particularly as I see how this Master Plan works out so they will be able to make fully informed decisions with regard to where they support the allocation of dollars especially if it comes from our Region. Julie, it is our intention to keep closely involved with you folks. There will be more material to share with you over the next two months.

5. 2010 – 2012 STIP Criteria

Mike Montero

*Handouts: Project Eligibility Criteria and Prioritization Factors Process Description and Guidance for the 2010-2013 Development STIP and Construction STIP
2010-2013 STIP Project Eligibility Criteria and Prioritization Factors Summary of Changes*

Mike Montero pointed out that the packet included a summary of entire text of the tables that were handed out today. Reviewing it on its face, if I was going to summarize what these amendments represent, first of all trying to have the STIP criteria be practically in such a way

that the various ACTs around the state would have some consistency in regard to how they select projects. That is one. Number 2, I think that what they did on the OTC end, was they embedded in the STIP the means by which the means by which it can at least advise ACTS of an expectation that the OTC has, not just an interest but a responsibility to ensure that the way the dollars are going to be prioritized to meet the goals and responsibilities that the OTC recognizes. These changes reflect that as well. Finally, the other thing that I see here that is different than the prior STIPS is the obligation for all ACTs to demonstrate how they applied those STIP criteria when they selected and prioritized projects. At the risk of any of us feeling like we are being accused, the OTC is saying we want to make sure that you are doing what you are supposed to do. As a practical matter we are, we are the one who developed a set of criteria and a process that was objective and applied many years ago. I will tell you that there are other ACTs around the state that simply don't do that. In some of these areas it has been a horse trading proposition. It is your turn. What they are showing here is not only the OTC desire but the OTC expectations that whatever criteria are applied they will be applied consistently. All ACTs are going to have to demonstrate how they did that when they forward on their projects. Minor things but important none the less. As we go through other discussion items today I think it will become painfully apparent why it is one of the better things they could have done. I don't think it is our intention to go over every line. If you have questions art and I will answer.

Art Anderson added that the OTC will be looking at approving the 2008-2011 STIP this fall. Once they gavel down on that, they always get this out prior to the start of the new cycle. Once they gavel down we will start seeing the documentation coming out with our allocations for our MOD program. I think that we are probably talking around January/February timeframe again to get roll back into our process for prioritization of projects in the Valley and going through that whole cycle. It seems like we just finished and now we are on to the next one.

Mike Montero: it would be helpful, in addition to what Art just said, is in anticipation of that process gearing up the early part of next year, it would be good for all of us to become as familiar with this document so that when we are making - actually for jurisdictions who are going to be submitting projects, it is going to be important that those projects be able to meet the criteria. It is my understanding the other provision that they made in STIP refinements is that there would be a lookback provision for projects that had formally been identified and there wasn't funding attached to it. Those projects may need to have some additional review that they continued to meet the criteria that are being applied. It is a good use of your energy and time to familiarize yourself with this document.

6. RVACT and Earmark Prioritization

Art Anderson

Handouts: Involvement of Area Commissions on Transportation in Reauthorization Earmark Selection

Art referred to the handout, as you see on the back it says concept. It is conceptual at this point. It not even a draft yet. As you remember at the last ACT meeting I talked to you about discussions that I have had with Travis Brower, our legislative representative, about a concept that we had batted around about the earmark process. The last reauthorization goal that we got there were a bunch projects that came out of that, especially in Coos/Curry counties that were projects that ODOT did not know about. They were interesting projects. One was a boardwalk in Coos Bay. The question is how do we tie these together and get the biggest bang for our buck. We are all competing for those earmarks dollars. I asked if there was a way for the ACTs can

participate in this and be involved in the process so that these things can get forwarded to the legislative staff and they can use that as a baseline to look at building a program. The conceptual plan that has been laid out. Don't take the number of projects for gospel. This is something that Travis pulled together. He talked to Matt Garrett, ODOT Director, and Doug Kimbell, ODOT Highway Division Director, they liked the idea and want to pursue it further. I volunteered the RVACT if they want to have a test child. I just wanted to keep you up to date. This ball is moving at the highest levels in ODOT. There are a lot of political issues that have to be weighed when doing this. We can develop something within the ACTs that we can forward to the Legislatures and their staff but there are still going to be folks who want to independently approach them for earmark requests. This is not to supplant that and make that a nonentity, it is trying to better educate the staffers and the legislatures about what are some of the priorities in each Region that we feel are most important for transportation. To give them a baseline so that when they go forward and tagging projects that they want to support for the earmark process, we have creditability. This is going to be a work in progress over the next year because with the reauthorization bill on the horizon in a couple of years we need to get ahead of that ballgame. I just want to keep you up to speed on where we are at. I will tell you that it is interesting that this on the docket here because, as Julie alluded to, some of the funding that has been allocated to go to some of the counties, based on the timber sale revenue issue, we can look at that as an earmark that has been decided by the state legislature. We are going to have to deal with that as we work through our modernization program because it may have an effect. We do not know how it is going to effect funding within the regions. This would be for specific earmarks that would be big dollar projects like Highway 62 where we would be looking for a large chunk of change on a \$300M project for another south Y type project in Grants Pass. Keep in mind that we are working on this and I will keep you posted. If we start moving into a phase where we are going to look at implementing this I will definitely keep you in the loop.

Mike Montero: Has concerns, earmarks when they came down the road, they were like free money. Frankly some of them are above the line. They are dollars in addition to what the State gets. But what frequently happens, we have had experience here, is that somebody will independently approach a fellow legislature with a good project and secure funds and nobody is aware that when they wave a magic pen to approve it what they have done in effect is they have allocated millions of dollars of dollars that you have programmed somewhere already. It can have all kinds of significant adverse ramifications. The one that comes to my mind is the Greenway. The MPO went through real problems because reallocating those dollars over to the Greenway it took dollars that were already programmed elsewhere in the MPO system and fouled up the match process. It took an act of congress to get it worked out. This is a system where everything is on the table so that everybody know what is going on. We may have the opportunity to leverage project, to get reductions in costs. there all kinds of opportunities but are opportunities that are vacated if there isn't communication and protocol that makes that communication necessary. The fear that some have is that it will be viewed as something other than that and then what good can come of it doesn't.

Can this group support Art in this endeavor. Traditionally local governments can go and seek these earmarks with no involvement from ODOT, Art is going to develop a process where this group is involved. It is not a yes/no decision. Do you support Art for pursuing it?

The big thing is the education piece. We are not saying jurisdictions can't independently do that but if we are aware of that up front, we can start asking the questions of the staffers that work for the legislatures so that we avoid issues where we have an invisible earmark and then we find out

the strings attached impacted all of our jurisdictions. We are trying to see if this group is interested in this process to highlight some of our major transportation.

This is not a decision item, straw poll.

Mike Quilty says yes as a councilman for the City of Central Point and the MPO. I understand they are competitive funds. I think it is important for everyone to know because it may be that one of our communities is asking for an earmark that really does have benefit outside of our local area.

Ernie Garb: isn't it important to determine whether the earmark are additive or substitutive. That is the key to the whole situation. How do we determine that. how do we know that these things are not additive? That generates the problem. How do we get knowledge. Art, that is the piece where the education process that the congressional are aware of they are going to know that we are looking at these things. With this opening dialog we can start discussion on whether these are above or below the line. I don't know how the details of how above/below the line is worked out.

Mike Quilty; he is on the AMPO national policy subcommittee for federal funding. AMPO has a legal team that pours over the federal authorization bills. They look for things like this that got us tripped up in the past. When that happened we weren't making full use of our resources as a member of AMPO at the local level. They are looking at things like that. there are groups that have lobbyists in Washington that pour over these congressional reports with a fine toothed comb and now that they have gotten tripped once, they are not going to get tripped a second time. This means that we need to do our liaison work. I think that we belong collectively different organizations that have high powered folks that will have that information early enough to know whether we want to accept or decline the gift when they hand it to you.

Carlos DeBritto; If this means being proactive rather than reactive I am all for it.

Mike Montero said that Art has presented a conceptual process. He then asked if there were any members who are opposed to Art proceeding with the process. There were no objections.

7. Connect Oregon II; HB 2278

John Watt and Art Anderson

Handouts: Enrolled House Bill 2278

Art sent out a copy of HB 2278 roll and SB 21. We handed out two additional items that John Watt brought. SB 21 did not pass. The substance of it was rolled up into HB 5036-A.

Connect Oregon II came into the legislative session with a great deal of support. He feels that it is safe to say that through the entire session saw a continuance of that support. It passed through a House Committee and then was referred to Ways and Means. By prior reference that is an issue that happens in the legislature because it was an expenditure of dollars. With that support there were several questions that came up with regards to how Connect Oregon was handled the first time. One of those surrounded the minimum allocation of funds and ultimately that minimum dropped from 15% down to 10%. There were people who heartburn over that but I think we would do well to keep in mind that that is a minimum. Along with that discussion was a look at the projects. The legislature went back and reviewed some of the projects, and while

the projects that were chosen, were very good projects, initially there were some projects that were submitted that didn't meet a high test. You will see some of the administrative rules that will come out will address some of these issues. Also there was a modification of the qualifications in selecting those projects which refers to what I just covered. Then for me, the most puzzling thing, (I am used to working in policy and you are used to working implementation), this is an instance where I literally stepped out of the hearing room for a minute and they passed an amendment that would require 2% of the recipient's total projects cost to fund a multi-modal statewide study. That was in the last days of the legislature and when I have an opportunity I will look it up to see where it came from and why. It came as a surprise to a lot of us. Administratively we are trying to figure out exactly what that is going to mean. As an example, the county's airport project that exceeds \$36M but they applied for a \$2M grant to build a parking lot, the main question, is that 2% of \$36M cost or 2% of the \$2M request. We believe the folks that apply for these projects will be able to separate those out and have different stages of a project. In this instance using that example it would be 2% of the \$2M. Connect Oregon, a great deal of support. A lot of great things happened. That was passed without opposition in the legislature.

Ernie Garb: Connect Oregon I had a rule as to contributions made by the project (matches). The rule that they had was if you were contributing real property it is figured at original cost. If you had a piece of property that you contributed to the project and you bought that real property 25 years ago, it was the cost 25 years ago which has no connection with reality. Is that going to continue? John, first of all I would say I would be on the legislative process that has no reality whatsoever. There are two ways to establish law in Oregon. One is statutorily which is what the legislature does and one is administratively what happens after the bill goes over to the department. Unless I am mistaken that will be handled administratively, those definitions. Again, Ernie asked, will it be the same administrative rules which lacks identity with reality or will they change it. John said that at this point in time, I don't think anybody can answer that question because those rules have not been adopted. Some of them have been proposed and are going through discussions now. Ernie said that RVTD had a project with Greyhound and our contribution was the Front Street property. We didn't rate too highly on the prioritization effort because our match was considered very low. I don't want to go through that again. This project is still alive. If it comes up in Connect Oregon we will be sunk again because of its original value. John said to work with the folks at ODOT to make your concerns known so that can be addressed administratively.

John Vial commented that as far as are the project's selection criteria in the administrative process the same as Connect Oregon I, no. We are trying to learn from that. The process is going to be improved in Connect Oregon II and we will make sure that your comment gets passed on regarding your concern about property value.

Mike Montero asked if there are any projections for when the rule making will be completed. Julie Rodwell said the rule making is eminent. We have a draft rule because a legislative working group requested that that get initiated in February. There are bits that have to be added. If everything goes as planned, we will do like last time, where there is a temporary rule, the reason we do that is because it is quicker. I would expect the draft rule to be posted within two weeks. At this point that has a keen interest, the best thing is to watch the ODOT website for the Connect Oregon website. We are busy putting things that can be posted. We have a team that is making some of these decisions. Some decisions need to go to the Department of Justice. The issue about the value of land, the DOJ ruling last time and nothing changed in the legislation to

suggest that it should be handled differently. That doesn't mean that you cannot ask again. It was an issue for a number of people. In the big scheme of things there are other issues for each project.

John said that he was on that legislative committee that Julie referred to and that subject did not come up in our discussions. We had four or five meetings.

Ernie Garb said it is an arcane interpretation. He would like to be informed as to what the administrative rules look like. Julie said that it goes to public notice process and will be on the web. Art asked that Julie get this information to him and he will send it out to the RVACT members.

Mike Montero asked if the Department contemplate the pace of the process to be similar to Connect Oregon I. If you will recall there were requirements that that process occur over great dispatch. The reason that I am asking is because for purposes of scheduling meetings of this body, if the process remains the same, then we are going to want to have those meetings with this group to review the applications. Will we meet the timeliness. Julie said that equal dispatch compared with last time, although there were some requests for more time. This time the modal committees will go first and they will report to the regional committees. We will also publish guidelines for the review committees much earlier this time. Everybody did it differently last time which was a concern. This time it will be much of a standardized process on how to meet, for an example on whether to interview the applicants. The guidelines will be out there a lot sooner hopefully about the same time as the rule is published so that people will know the roadmap as to whether it is in the rule or whether it is in any of the other guiding documents.

8. Oregon Gateway Proposal; SB 21

John Watt and Art Anderson

Handouts: A-Engrossed Senate Bill 21

John Watt said that bill became HB 5036 which was an omnibus bill that provides issuance of lottery backed bonds. He thinks that this committee had a good discussion about this at the last meeting. The essence of this is AP Molar which is one of the largest private shipping companies in the world is looking very seriously at Coos Bay to locate half a billion to three quarter billion dollar port that would bring goods in. If that were happen it would rival Port of Tacoma. They made it very clear that they want to be able to ship goods out of there 95% by rail and 5% by truck. Initially people say that won't impact the roads too much. But when you consider anywhere from 7 to 11 unit trains a day coming out of there, a unit train being a train that has anywhere from 100 to 150 railroad cars, take 5% of that and ship over to truck, it will certainly have an impact on the highway. Highway 140 is very desirable because it does cut out a lot of routes to get goods to the east. As we all know companies and folks who are buying the goods demand on time deliveries. Hwy 140 certainly I would think would become an issue. In any event the folks from AP Molar met with legislatures and two major things came out of that presentation. They said that in order for them to look favorably upon Coos Bay two things had to happen. A commitment for the state of Oregon to fund \$60M dredging program and to have comfort that the rail system would be able to handle the kind of goods that they would be bringing in. This is piece one of that. The legislature did in fact fund those dollars, \$5M of that will be allocated in this biennium to begin the study for dredging and that would be taking a 39' channel down to 51' which is an absolute minimum for what the ships of those magnitudes that would be coming would have to have. They are about 400 yards long, of 4 football fields. The

ships that are coming on line now are so long that when you stand on the bridge the curvature of the earth, you wouldn't be able to see the bow of these vessels. They would be talking anywhere from 7 to 15 calls per week. That could vary depending. With regard to this project, when this whole thing started, when we were talking about this two years ago, and got wind that somebody was interested in Coos Bay, there were three other locations that they were looking at. They were looking at locations in British Columbia, Washington and a promising location in Mexico. Since that time the British Columbia location has backed out. The Washington location doesn't meet the criteria and the Union Pacific who would have had to build a new rail line into Mexico said they are not willing to make that kind of investment. The rail issue and how to get those goods inland, right at this point in time there are two major connectors. One to the north is a UP line that goes out of a switch yard in Eugene and would have to go up to Portland. There are two switch yards up there before it proceeds east on I-80 corridor. That is probably the preferable route at this point in time. Right now, as an information item, the Port of Portland takes out two unit trains a day. Those switch yards in Portland are at capacity. So if you are going to be adding another 7 to 11 unit trains a day, something is going to have to be substantially improved. The other line would be the BNSF line that goes south on the Hwy 97 corridor that would eventually hook up in northern California and run over to Salt Lake City. There are significant issues with track conditions, tunnels and bridges on this route. Whatever happens, a substantial amount of infrastructure is going to have to be added on. Any of those lines are going to have to have dual lines. When a loaded train comes out and an unloaded train is going in, have to have sidings to be able to get those things off. Huge impact to our region possible.

Mike Quilty: When they came up and did SAFTELU West Virginia went and got \$125M for rail inter modal improvements for WV and a little bit in Ohio. I would think that a project of this magnitude that has national implications for bringing the huge increase in freight that every study out there says is coming to the US from the Pacific Rim is a place that we should work very hard on our congressional delegation in Washington and the states that this port would feed. Those IPODs and VCRs and everything else that comes in containers aren't going to Oregon it is going to Kansas City, Duluth, etc. We need to start educating legislatures well outside of our own delegations as to what that means for their consumers and voters. We should be looking for massive amounts of money from the federal government for a project of national significance not something that just helps Oregon.

John Watt said that Mike would be comforted to know that we have already begun that process. Senator Gordon Smith was in Coos Bay last week. It has not escaped our notice that Pete DeFassio has a great deal of influence on the transportation committee as does Representative Earl Blumenhauer. This has been recognized and it is going to be a huge effort. Where we are at now is looking at the decision that the company is going to make in November. Once that decision has been made, if we are going to move forward, it is all stops are pulled.

Mike Quilty that comes back to this body, the MPO, local jurisdictions to come out for support for that, even if it is just in the passage of a resolution to put out a letter from a local city council to help with something like that would be significant.

John Watt said that is true on two levels. The company in meeting with their representatives is looking for support from the community. Everywhere these people have gone in. They are the 4th largest private shipper in the entire world. If you have seen the containers that have Marisk on the side that is who we are talking about. They are looking for support from the local

community too. They are talking about investing a quarter of a billion dollars in that port with the UP or another class one rail road investing just as much to improvements to the rail lines.

Mike Montero: some of the questions he had it sounds like a tremendous opportunity for Oregon and the nation. I suspect that when Connect Oregon II projects start coming in there are going to be some that will leverage off that for rail investments. However, having said that, the notion of Connect Oregon I and II was to provide the street funding that would serve to enhance alternative nodes that we could relieve congestion for freight. The question that he would ask, while surface support would appear to be important, is there going to be component, discussion that while these dollars are flowing into improve the port facility, investment into the short line, investments into UP, is there going to be a commitment from the class one rails to support not just the unit trains that comes into Coos Bay, but to support the freight traffic that comes up from the Rogue Valley and Roseburg so that those trucks can be taken off of the highway. That was a big issue last time.

John Watt: That discussion has been on the table and it is absolutely critical. A lot of the shippers, Roseburg Forest Products and shippers here in the valley are concerned about that.

Mike Quilty: He knows that CORP is really involved in these discussions. How is the new owner of Rail America, are they looking at what they need to do favorably, is their growth market for them.

John Watt: That line has not made money for years. In the foreseeable future it is not likely to make money. I think it is safe to say that Rail America and Fortress are looking at the viability of holding on to that piece of property.

Jim Lewis: He was wondering if there has been any push back from citizens in that area. I am sure that the government of Coos Bay and the county are all in favor of this project.

John Watt: The push back from the citizens has come from the belief that this only a ruse to get the L & G facility in there. People believe that. There is a push back on that L & G facility. That is not a small project. If APM makes a decision to move forward in November that will increase the activity. Right now it is a sleepy little community that doesn't realize what is going on. There is no doubt that there has to be some push back from a small community because the impact is going to be huge on the entire area and southwestern Oregon.

9. Break

10. Local Construction Projects

Gary Leaming

South Medford Interchange: A lot of the work is on the west side of the interstate. Contractor working on the foundation for the west side postal wall. This side is moving along. The contractor is also working on Highland. We made the switch on Barnett to move the work zone to the north side a couple weeks ago. There are a lot of large rocks that have been moved in and compacted. Lazy Creek on Highland has been diverted because they are putting in a new bridge. The box culvert has been removed. This Highland portion should be finished by the end of August with the roadway between the Greenwood and Barnett finished. Art, as part of the Greenways trail over Barnett, now it is going to be at grade, they have plans to go over Barnett.

As part of that walkway would have been too narrow with Lazy Creek designed as it was. We are doing an on the fly design change to widen that bridge to accommodate future Greenway walkway. The Greenway will pay for these changes.

Gary, the new bridge on the interstate northbound is nearly finished. Construction anticipates moving southbound traffic on to it in the next couple of weeks keeping the northbound traffic in its current configuration on the temporary structure. That will allow the contractor to tear down and start building the new southbound bridge over Bear Creek.

Ashland – Walker to I-5: This project is scheduled to wrap up just before Labor Day. Exit 11, it is a grind and inlay project with sidewalk and striping for bike path. This is between Crowson Exit 11.

Exits 11 and 21 these are the bridges over the interstate. This is a maintenance project but it looks like a little STIP project. These are the original bridge decks from when the interstate was built. This is at Talent. Have patches. This project is similar to what was done on the viaduct. It is a hydro-mill and then put on a new layer of concrete. It is currently out to bid. We anticipate doing this project after Labor Day. When we do this, because of the width restrictions, we anticipate closing the structure for approximately six to eight weeks. Southbound traffic won't be affected on Exit 21. northbound traffic will be signed so that they can get off at Exit 19 or 24. The city and property owners have been noticed. ODOT is still working on noticing property owners around Exit 11.

Exit 35; Black Oak Interchange where we are redoing the freeway overpass and replacing the bridges on the interstate over the rail road tracks. The contractor, Ross Brothers, is working on the new southbound on ramp. This project is scheduled to wrap up by the end of next year.

Highway 199 and Laurel: Replacing existing structure over George Creek. The bridge abutments were poured last week. So far traffic has not been affected by this project. This project leveraged about half of the \$5M costs through developers. This project, besides having a new bridge has a center lane to provide full access to properties. This project is scheduled to finish next year.

Illinois River Bridge Projects: They began in 2005. They are almost finished. East Fork Bridge. The traffic is on the original alignment. Sidewalks from the south end of Cave Junction to this bridge. This is a pedestrian feature that will allow peds and bikes to access the State Park. This project is in its final stages as is the Big West Fork. Rough and Ready Creek is finished. The Little West Fork is finished. Hamilton has done a great job.

Highway 62 Corridor Project: showed the Vilas interchange area. Runs from exit 32 to north of White City. We have met with a lot of stakeholders, Peace Lane/Justice Road and businesses and property owners in the Vilas interchange area. As a result of these meetings ODOT has reduced the footprint from some of the earlier designs. Right now we are looking at going into environmental document with a single point urban interchange at Vilas. With the first full signal at Peace Lane. We have also made a change where we have a crossing/signal at Coker Butte. This project we are trying to set the footprint to go into the technical reports and have the DEIS out sometime this fall.

Fern Valley: Technical reports are being written. The EA is due in the fall. The EA will get a 30 day comment period with an open house in the fall.

Highway 199 Expressway – there was an EA in the winter with Alternatives A & C. Gary showed the latest working group proposal. The city of Grants Pass and a citizens group felt that A & C didn't work for them, the impacts were too great. They have been working through the spring trying to refine an alternative design to bring forward into the document. Gary showed their latest design. ODOT has been at the table with the working group. The CAC & PDT will review this design Thursday night. The goal is wrap up the EA this fall so that we can deliver the RCC Midway project, Westside.

Carlos DeBritto: When is the Talent project set to start? Gary, maintenance is looking at letting that in the next month or so. The project will probably start after Labor Day.

Paula Brown: She said that Bill Boyett has been outstanding job with meeting with our community and our extend community. He has done a fabulous job of getting the small issues resolved before they became big issues to property owners resolved.

11. Cost of Congestion Study

Art Anderson and Mike Montero

Handouts: The Cost of Highway Limitations and Traffic Delay to Oregon's Economy, Executive Summary, March 2007

Mike Montero introduced the study done in Portland, the Cost of Congestion Study. If you take impacts caused by congestion to employers they can cause to occur some decisions with regard to economic development that affects us all. The report shows that one local firm decided to place new facilities in another state. The decision to do that was based on the lack of transportation investment and the financing of potential improvements going forward. The effect to the state with regard to job creation doesn't end there. It is also tax revenues for schools, the Department of Human Services, etc. With freight links taking on a larger impact on our available infrastructure here.

Jeff Hunter: Regional Manager, Reddaway. Jeff said there are huge impacts caused by congestion. This is happening more and more now because businesses are running their inventory levels on just in time. Twenty years ago the businesses were day or week sensitive. As it has progressed over the years it became day sensitive. In the last couple of years noon delivery is now an 8 a.m. delivery. With our schedules on the road, if there is an accident or congestion, if you have a delivery that is an hour late, we get hundreds of phone calls asking where our shipment is. Congestion has a big impact on the economy. It reflects on their production line, it doesn't ship out that day, it is a domino theory.

Julie Rodwell said that she had heard this before. It is a real disconnect between public and private sector. Congestion is not, no matter how much money we throw at it, going to diminish to where it is not noticeable. It part of the context of doing business. We have slack times in the middle of the night, that will be the next move. That is what is happening in some places.

Mike Montero asked John Watt to go over discussions held during the legislative session regarding additional funds through gasoline taxes or otherwise.

John Watt responded by saying that residents of the state need to do a better job from the business community making our policy makers aware of what the issues are in their businesses. With regard to the dollar numbers he thinks that one of things that the policy makers do not understand that when they allocate an extra \$17M to higher education those dollars are going to be spent immediately. They are going to be spent in the next biennium. They are going to see the results of those expenditures. When you are talking about transportation, you are talking six to ten years out on those expenditures. While they see the effects of OTIA's I, II and III now with a lot of the building going on, and Connect Oregon now, they don't look and see what the impact of not looking at that shortfall which is well over \$800M today on how that is going to impact six to eight years down the road. We have to do a better job of telling the story.

Mike Montero said there is a domino effect that goes beyond that. As those dollars dry up in the system there is an out migration of the whole construction community that goes to other states. Then you are competing for them. It is not uncommon to see that reflected with higher costs. you have shot yourself in the foot twice with this. I don't think that there is other than groups like this that have a broad understanding that if we think about the interstate system in this country historically. The reason we have one is because Eisenhower wanted to make sure that if we had another war he could get his tanks around the country. There was a commitment to that by the public that suggested that for that decade this country spent up to 6% of its GNP on building the interstate system. There isn't a possibility to see dollars like that again just because we have a different economy. We have been spending down the investment made by our grandparents. We have consumed it. Now we have to belly up to the bar and say what we are going to do. In regard to Oregon this report really laid that out well. Both California and Washington are making the investments in their system. The perverse effect of Oregon's land use laws are that if Oregon wants to have facilities upon which they can economic development then you have to meet the Transportation Planning Rule which says that you have to have transportation systems sufficient and has to be financially constrained. There has to be money available to build it. Or you can't secure the land use entitlement you need to build. In effect, if there is not a recognition and commitment to it, as a practical matter we are almost advocating and yielding to our neighbors. It is a piece of reality that our delegation doesn't have. It is going to impact the state's ability to do business.

Mike Quilty AMPO at our subcommittee meeting discussed what sort of platform we wanted to take forward to congress when they start writing the next Highway Authorization Bill. Between now and then we got around to the point that we agreed that we needed the equivalent of \$1 increase in the fuel tax over a decade and needed to index it to inflation to pay for everything that everyone says is needed to meet our growing needs. A huge portion of that was going to be dedicated toward energy and dependence because we figure that is our biggest security threat to our country. To move ourselves to multiple different ways of meeting our transportation energy needs. We recognize at that level we need a huge investment for the transportation system. If we don't invest in it we are going to end up being left behind by countries or states that are willing to reinvest in their infrastructure.

John Watt: Mike brings up an interesting point about how that discussion goes. Just about everybody recognizes that there needs to be a reinvestment. If people will talk about a nationwide gas tax. The fear we have to have in Oregon, especially when you compare that to what happens with Medicare where the reimbursement rates in Oregon are so low because we have nine people in our delegation that represent us in Washington DC. The larger states that have more power end up getting more of the dollars. The other thing is one of these days the

feds are going to look at us in Oregon and say that you have not been willing to invest in your own infrastructure and you keep coming to us. We are not going to do that anymore. We do have an obligation in Oregon to continue to have a discussion about taking care of the things that we have. When we have those discussions in Salem, you have to understand that it is not just about transportation. In the last days of the session, vote count sheet, two comments from local legislatures (transportation funding). Feels optimistic from Scott, he is the minority leader, but doubts caucus support. Told Governor yesterday they are locked on any new taxes. The other one said, supports the transportation funding increase but looking at total picture, Caucasus is locked and doesn't want people peeled off one by one. That is the political battle that we have to fight. This group can be more effective is having a resolution that comes out of the RVACT, working with our delegation during the interim because that is when we can get their attention on to what the impact of this issue is in our community. When they go back into session and these issues come up about caucus' locking up on no new taxes because gas tax is are taxes. If we can have them more educated to where they understand the impact here they may not be willing to participate with that kind of lock up on taxes. It is one of the challenges we have. I am not talking just about this group. I am talking the business community, residents. Legislatures will listen to their constituents.

12. RVTD Update

Jim D'Alessandro

Jim D'Alessandro gave statistics based on the reduction in services and the increased fares. Our 05-06 ridership statistic tolls were about 1.3 million rides. If you take away Routes 4 and 5 that we took out of service last year that equates to about 1.15 million rides. This fiscal year 06-07 ridership statistics are about 950,000 rides. Overall we saw 34% drop in ridership, half of which is due to Routes 4 & 5 being discontinued. If you use the same comparison we saw 17% overall increase in fares. We had originally predicted a drop of about 22%. The largest drops in ridership were seen in Routes 10 and 2. The good news is that revenues are up based on the increase in the fare box approximately 50%.

The long range plan, we are currently looking at four revenue scenarios, four service scenarios to go along with that. the first public draft will be available in August. Expect Board approval September 22nd board meeting. We have hosted several open houses/stakeholder meetings. We did get a lot of feedback. We are going to continue to do that. We will hold several open houses and will request comments. Once the LRP is complete staff will expand on a preferred revenue scenario.

13. Oregon Transportation Commission/Legislative Updates

John Vial

Handout: Statewide Transportation – Key Messages

Highlights from the session and what the OTC is working on. Many times in the legislative session, the session can be an interesting thing for the department because we have found ourselves the whipping boy. When John was serving there, there were some rough times for ODOT because the department had some delivery issues. The legislature was concerned about that. They made sure that we were aware of that. What was different this session is it was basically the opposite. Very few difficult discussions. Overall the tone was we appreciate you

delivery. You are getting the job done. Not a huge push to give us a whole lot more money and support funding package, but the tone of the legislature was positive. Things are going quite well. They are pleased with the department. That was the overall tone.

Highlight of some of the bills that were passed this session that affect transportation. Not going to go through each one.

Highlights:

Not going to talk about Connect Oregon II. John and Art talked about that.

HB 2273 – In March of last year the supreme court struck down ODOT’s ability to regulate outdoor advertising (signing). The federal government requires that each state has a program to limit billboards along the highways. We are required to regulate those. That is part of the Lady Bird Johnson work done in the 60s. The supreme court struck down our law and notified us that if we don’t fix this we will lose federal funding. This is a big push from one of the few bills in our department actually proposed this session that we needed because we need that federal funding. It was a long process, a difficult process to work through but in the end we did get our authority back to regulate billboards. We are changing some of the ways that we manage them, some of the definitions. This is a big win for us. One of the questions that are asked, if you drive up to Douglas County especially you will see billboards all over the place. During the time from March until this bill passed in May, the sign companies said here is our window, lets go build. There are tons of them out there. They popped up, hundreds of them. The question is being asked what are we going to do about them. The bill does grandfather most of them. We lost the ability to regulate them. Most of them are going to stay. There are some that are illegal to begin with, whether we had the law in or not. Most of the signs are going to stay. As of May we got the authority back to regulate them.

HB 2466 - In the Medford area we have photo radar for speed. Most of us have seen the van around. We don’t that ability to use that on state highways. The legislature gave us that ability. That was a real big win for the department. We are excited that we have that technology and tool that we can use now to help our work zones safer. Slow people down and keep those workers and employees safe in that area. I was talking with John before the meeting. He made a good point that highway safety was a major theme in this session. There were lots of bills and discussion around highway safety. Probably headed by making OSP in order to get more troopers out on the road to help protect the citizens. Highway safety, there was a lot of discussion.

SB 1022 – Toll Ways: ODOT has lacked the ability to implement tolls for many of their facilities. Even this is something the OTC wanted to do, we did not have legal authority to do it. This bill gives ODOT that tool. Not that this is going to be something that we are going to run out and do everywhere, but we at least have that in our tool box now.

Several changes in the Vehicle Code:

SB 567 ODOT is very restricted in our ability to remove vehicles from the highway. When there are crashes, the owner of that vehicle has a lot of rights. Basically they can plug up the highway for a long time and the department can’t do much about it. This bill allows ODOT to push, pull, tow vehicles off of the highway very quickly without owner consent. From a capacity standpoint, congestion standpoint, that is a big win.

HB 2466 Photo red-light enforcement was a program that started several years ago. There were four cities in Oregon that had the legal authority to implement photo red-light. The law has been passed that any city with a population over 30,000 can now implement that program. We will probably see a lot more photo red-lights. People have different opinions on that. One thing that I will say for photo red-light, it is proven that without a doubt that it makes intersections safer. Whenever we put these things in the crash rates go down immediately.

SB 994 this bill is a finance administration bill that has all kinds of stuff in it like wages for circuit court judges, funds for gambling addiction, all kinds of weird finance stuff. Stuck in there was a provision that provides \$56M of Highway revenues to counties. This happened at the last minute of the legislature. There wasn't a lot of discussion. It kind of popped in there. The idea behind it was to assist counties that were suffering from the loss of federal timber revenues to maintain, repair, congestion relief and improvement for their county roads. It provides \$56M to the counties. Josephine County, \$897,122, Jackson County, \$2,078,126. The piece on this that is concerning to ODOT is there is no new revenue for this. This \$56M is coming out of STIP projects. We don't know right now which STIP projects they are. We are in the process of trying to figure that out. I can't tell you if our STIP is going to impacted or projects in this region will be cut. We don't know. It is a definite potential because there is no new revenue. It is going to come from our existing program.

John Watt said he would like to weigh in on this a little bit. First of all, what could be in danger are some of the projects of statewide significance. Those projects that are not yet in the STIP or are being considered could certainly be impacted. Even more importantly, in all due respect to the counties and everything that they are going through at this point in time. When I was in the legislature we renegotiated the funding formula and it had been weighted a little more heavily in favor of ODOT and through lobbying by local governments and the counties, that funding formula was changed to a 50-30-20 allocation. 50% to ODOT or the state, 30% to the counties and 20% to the cities. My opinion, and those of some of my colleagues is this throws that funding formula out of balance. I will tell you exactly why it happened and the good folks at ODOT can't share this, but I think it is important that you know. The co-chair of Ways and Means, Senator Schrader from Clackamas County, his wife is a county commissioner. There was no discussion on this. This came out in an omnibus bill out of the blue. It was worked behind the scenes. I have been involved in those conversations, if you win something, you win something. But this didn't have any public input. The thing that concerns me, and as we go back and talk about this, those of us in transportation, that funding formula is now null and void because of this violation. It is statutorily done but there could be an effort to completely redo that funding formula. Unfortunately what that does, it undos a great deal of cooperation that ODOT has had with the cities and counties over the years. This \$56M by the way just happens to coincide with ODOT's ending balance. A department who has become more efficient, who showed an ending balance, all of a sudden that was erased for all intensive purposes. The way I look at it, hey if the PERS obligation gets a lot worse and cities have a big trouble with their road maintenance because they have to spend money on PERS settlement, what keeps them from coming in to the next legislative session and say you gave the money to the counties last time, we need it this time. That is what is called setting a precedence. I think this is very important item. I don't know what discussion can go on here. I think that everybody who works in transportation needs to know what happened. It doesn't discount any of the need that the counties have. There is absolutely no question about that and we all understand that. I am afraid

that the implications of this could be very far reaching, much more than the Ways and Means Committee really anticipated that can happen. This discussion is not over.

Alan DeBoer said this is the same exact thing that we were talking about earlier, we should talk to our Legislatures. A letter from us saying that we appreciate more funding but you can't go in and just give the money without providing income. The \$2.5B more money that they could have took it out of their funds. We can't have people just changing the whole set up. Mike Quilty when we have spent years figuring out where projects need to be and how to divide up the money. I understand the counties desperately needs the funding but it gets back to that thing that I have been hammering on before. We need to stop putting our hand out and say more gruel please. We need to be willing to step up to the plate and pay for what we need ourselves. I understand. I am disabled. I live on fixed income but I use the roads. If using the road means that I have to come up with another dime out of my pocket for every gallon of gas that I put in my Yukon, I am willing to do it because it means I can go where I have got to go. We have to really work at educating our populace that if they want to continue to use the infrastructure, they have to step up to the plate and be willing to pay for it. Very few people are willing to step up to the plate and say we have to pay for it and that doesn't just include the people who drive. The food that goes to grocery stores does so on the roads.

Mike Montero said that he thinks when you go back to this and other issues, specifically relating to transportation, it seems like more often than not, it appears that well intentioned policy changes frequently produce unintended adverse consequences. Maybe this can be an agenda item that could tie into the earmark process like a future agenda item where we have got oh by the way here is what you did, understand why you did it, did you know this is what it may cause to happen in our region.

Jim Raffenburg was stuck by you comment saying that we would have to step up to the plate and pay more. That argument has been made for every single service program in every part of our community. By the time everybody steps up we are going to have to take out loans to pay your taxes because they won't be able to pay it on the income that they make. We are deluding ourselves to think that the answer is just educating the public that they need to pay more money. I can see some unintended negative impacts from the compartmentalize to where this organization, this group here today, we are very concerned about transportation. There are other people who are talking about the same thing and are just as dedicated to their interests. If we don't start realizing that it is not just transportation, it is not just law enforcement, we have a huge problem in this state. I am trying to point out the obvious that if we just keep thinking as citizens that we compartmentalize the their problems and solve those problems, we are deluding ourselves. We are deluding ourselves in this group, we are deluding ourselves when it comes to cities. I am an elected county commissioner. We are all facing the same issues. For the paid staff here, this is a much bigger problem than just talking about transportation.

Stacy Kellenbeck the deals with the same issues as funding and whether or not to step up to the plate. I don't know if this is an issue for RVACT but the discussion that started about ODOT ability to collect funds directly from developers. It seems that system development charge nest egg. It gets to the issue of accountability and as development happens collecting funds and not necessarily being able to install an improvement but putting money in the bank for future improvements when the time is right. Is that an RVACT topic for an agenda about initiating ODOT's ability to collect funds from each development.

John I think that it is important that we recognize that this body exists as a chartered group to the transportation commission. Those things within transportation commission's preveue, that they have the authority to review, they can delegate that down to us. Sometimes we get into those areas that the OTC does not have the authority on and it is going to be difficult for this group to do anything about that because we can make a recommendation to the OTC and the answer is going to be that this is beyond our ability. We need to make sure that we are acting within our charter and fulfilling our duties that the OTC delegated to us. As far as, Alan made the comment can we have a discussion here regarding this policy, I don't think that it is necessarily bad thing for this group to do that. I would say though that you need to be careful on how we craft that. Art and I and several others are in an awkward position. The policy makers made this decision on the \$56M. It is not our position to say that we don't like that, don't do that again. I am not sure RVACT can't do that, but you have to be careful on how you craft that.

Mike M???? I think a few points Stacy, there are Oregon Administrative Rules and Statutory sideboards on the whole SDC issue. That is the preveue of local government. However having said that, as far as this group having a broad understanding of how it affects us because over the last decade it has become common place. The fact is right in our STIP regulations or STIP prioritization material that you give higher marks to projects that are large. Typically the only means that they to leverage them with is SDCs. There is a fine line and sort of jurisdictions here at this table know this, there is a fine line which burdening economic development with SDCs can have again unintended consequences. Is it a tool, the answer is yes understanding the consequences economically and statutorily. This isn't something that is beyond the preveue of this group. I appreciates John Vial reigning us back in. Jim, your comment, policy maker or not, you are right. At what point can, within the economic framework that we have, can we say enough is enough. I would say groups like this really do have some force is by, within the transportation equation, look for opportunities where we can support and advocate policies that, even if they don't raise additional dollars, maybe they can reduce costs. consolidation of ODOT and Jackson Counties facility here. Another one is on the horizon, at least in JACO, maybe elsewhere is this notion how we fund these connection roads between these future growth areas. The policies of certain agencies in the state that that can only occur after those come into UGBs.require inclusion in UGBs. What that does it burdens the ROW costs that all of us have to pay for. All of this can be prevented with a policy change, it is groups like this going forward and we want to keep congestion off of the state highways, here is something that we can really get our arms around. The group advocate for a policy change that results in dramatically downshift of costs. it is those kinds of things where we can shine, like the earmarks. There are a bunch of smart people sitting at this table. One thing we have in common is that we are all tax payers. Lets look for ways to economize it. Lets see if we can push that as a policy issue.

John, a couple of final things, OTC, lots of talk and presentation on tolling. Consultants that they have hired have done several studies on tolling. I think the big answer on tolling that the OTC has come to the conclusion is that it is not going to solve our funding issues by any means. A lot of thought, people thought that we could get tolling permitted we could solve a lot of our transportation issues. There are applications for tolling for transportation but it does not solve anything by a long shot. The best example is the Newburg/Dundee project, Hwy 18, Portland to the coast. The study came out that the only way you can toll Newburg/Dundee which we had planned on doing, is to do corridor tolling. By corridor tolling, you toll every parallel route also. The OTC said we are not going to do that. So tolling won't work on Newburg/Dundee as it is

currently written or you make the tolls \$16 or \$17 a trip. It is a tool. I think the Columbia River crossing project will likely be

If Granite pulls out there are going to be a lot of local contractors hurt in the process.

South Medford Interchange has 250,000 cubic yards of dirt and earth being moved on it. Pioneer Hill in Eddyville has 3M cubic yards.

Art???, Stacy your question about, we do have some good examples, even though ODOT doesn't have the jurisdiction do to levy charge against development, we have some really good examples of how we leverage through just negotiating various things. SOMI, the rural project in Cave Junction, Coker Butte owns projects that we heard previously, I would be happy to share that with you.

14. Agenda Build/Next Meeting

Art Anderson

Agenda, keep abreast of ruling and process for 442
 Arts status on earmark work
 Group input
 Some kind of support of the Hwy140 project and the Coos Bay Port
 Just so that we can really address what as a group we can put to the
 Legislature

Dick, this 140 and Coos Bay seems to be strategic plans. They won't not only affect OR they will affect the rest of the country. It seems to me we need some kind of federal liaison, either from Walden at this stage or his office to at least listen to what we are saying. I just wonder if we could bring that up and maybe we should invite our representative.

Alan DeBoer, I am sitting one a Task Force for Jackson County that is looking for funding and I told them I would bring up here that I think that this group should look into recommending a gas tax for Jackson and Josephine County. At least it would go to the county commissioners. We have had no luck with the state going in, this group talked about it two years and the state asked us not to do it because they were going to address the issue. Since then there has been nothing. We see this funding occur. It is really, people using their cars are xxxx, there are no extra overhead. I have to say I am totaled to toll roads. I don't think that it is the way to go. Up to 1980 every year the state legislatures when they met they increased the fuel tax two to three cents per gallon. They just stopped. There are communities that have done this. I would like to hear some kind of report from ODOT.

Mike, getting back to Dick, I think that has some merit. I know when we went through a couple of projects in Connect Oregon last time, we ended up having some representatives from the legislative delegations to attend meetings where we were discussing issues like the one on 140 and the port. How does the group feel. Would you like to invite those legislaturors to send staff to a meeting where there is an agenda item.

Yes. The gas tax. Alan that is a November 2008 item.

Mike Quilty ; you alluded earlier that RPS process which is going on here this county where we are looking at what our future growth areas are going to be for the next 50 years. One of the

things that we are looking at at the MPO is a report back to the RPS board on alternative funding measures for the infrastructures we need. That might be something that once we sort of get it haggled out sometime this fall, bring that back topic because SDCs, special districts, fuel taxes, that has all been brought up as part of the mix on how to pay for the infrastructure that JACO is going need when we have twice the population in our urban area. So that might be something that ties in with everything else as part of that discussion to bring forward after it has been through the RPS.

Mike Montero: I would like to see this whole policy change on acquisition of ROW that reduces cost. While it is specific to the Rogue Valley because there are operating under the RPS statutes. I think that it is a template that can be exported.

Stacy can we make a request to have our handouts printed double sided.

John Morrison, I am not sure if this ought to be earmarking issue but this group has to deal with making a lot of decisions about money. We do so according to an orderly process, qualifications, and we develop criteria, prioritization discussions. I am concerned about the \$56M bill that passed. I think that it tends to obviate much of what we do. Here is an unfunded mandate. There is no discussion what is the distribution formula for the money as it comes out. I am sure there is one but maybe we don't know what it. As we look at earmarking and the unintended consequences that that can present us, I think that we should look at this too. I think that a letter to the OTC is an appropriate action if indeed the group agrees to it that we are concerned that when we are required, and it is incumbent upon us to have an orderly process, that that orderly process can simply not be decide by this type of action by the state. However well intended it may be that we are working xxxxx. I think that we are all really sensitive in this area where we know that when the budgets get tight infighting begins to develop. I think Jim is exactly right. I am sitting in a community that doesn't have a library because of political decisions that were made and because of money fights that go on. That was one of the causalities of war. I don't want our process to be a causality of war in regard to people at the state level making decisions that in essence broke down our policies. I think that we can look at that and say is that reality. it may be that we want take some action at least in terms of a letter of concern.

Jim R. I agree with you. One of the things that I was surprised to hear, that there was no new money in that because when I was briefed by the Executive Director of Association of Oregon Counties that this bill had passed, it was with a yahoo. It was seen as a victory for counties. I think what that really illustrates is AOC isn't aware of the interconnect ability of this funding. Nobody at AOC understood this would happen. I did not realize how interconnected it was to the STIP. I think that it would be good if we could diagram, either in words or pictures, this interconnect ability of what we are doing so that when the conversation comes up while interacting with the AOC at least lobbying efforts to get this stuff done. This came as a surprise and I didn't know that they were even working on this. I am at the point to say, whoa, if you go in that direction here is the next domino you are going to cause to fall. I would like to have, if nothing else, someone to help me understand the interconnect ability of all of this funding.

The next RVACT meeting is scheduled for: Tuesday, September 11, 2007
9 p.m.
Grants Pass City Council Chambers

101 NW 'A' Street, Grants Pass