

**SOUTH CENTRAL OREGON AREA COMMISSION ON TRANSPORTATION
MEETING MINUTES**

Date: September 12, 2008

Time: 11:00 a.m.

Location: 317 South 7th St., Second Floor, Room 224, Klamath Falls, OR 97601

Board Members Present:

- | | | | | |
|---|--|---|--------------------------------------|---------------------------------------|
| <input type="checkbox"/> Brad Winters | <input type="checkbox"/> Al Switzer | <input type="checkbox"/> John Elliott | <input type="checkbox"/> Bill Brown | <input type="checkbox"/> Ken Kestner |
| <input type="checkbox"/> Dan Shoun | <input type="checkbox"/> Butch Hansen | <input type="checkbox"/> Frank Villagrana | <input type="checkbox"/> Tom Chester | <input type="checkbox"/> Mark Douglas |
| <input type="checkbox"/> Jeff Ball | <input type="checkbox"/> Ray Simms | <input type="checkbox"/> Betty Tyree | <input type="checkbox"/> Mark Cobb | <input type="checkbox"/> Gary Zieg |
| <input type="checkbox"/> Rhonda Lyon | <input type="checkbox"/> Dale Roberts | <input type="checkbox"/> Ernie Palmer | <input type="checkbox"/> Jared Hall | <input type="checkbox"/> Caro Johnson |
| <input type="checkbox"/> Chip Massie | <input type="checkbox"/> Randy Norris | | | |
| <input type="checkbox"/> Senator Whitsett | <input type="checkbox"/> Representative Gilman | <input type="checkbox"/> Representative Garrard | | |

Staff:

- | | | | |
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| <input type="checkbox"/> Deanna Wilson | <input type="checkbox"/> Shilo Spurlock | <input type="checkbox"/> Christina Ingram | <input type="checkbox"/> Betty Riley |
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Partners:

- | | | | | |
|---------------------------------------|---|------------------------------------|--|--------------------------------------|
| <input type="checkbox"/> Mike Stinson | <input type="checkbox"/> Larry Holzgang | <input type="checkbox"/> Trey Senn | <input type="checkbox"/> Jeremy Howard | <input type="checkbox"/> Ralph Paull |
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Public:

Meeting Called to Order at: 11:10 **by:** Brad Winters, Chair

Introductions – Roll Call:

Charter Review:

The Board reviewed the Charter document that incorporated all of the changes requested from the previous meeting. Larry Holzgang requested one additional change – the title of his position has changed from when the Charter was written to “Business Development Officer”.

Moved: Ernie Palmer, Second: John Elliott, to accept the Charter as amended including the change of title for Larry Holzgang.

Ayes : All Nays: None

Motion Carried

Highway 140 Study – Final Presentation:

Copy of PowerPoint included after minutes:

Jack Lee, ODOT Freight Mobility Director, Teddie Baker, ODOT Freight Mobility Dept. and Sorin Garber, Consultant on the study gave the Board a final presentation on the Highway 140 Study. The scope of this study was to update the report done in 2001. The 2001 analysis of benefits of projects vs cost – it is not beneficial. They found 11 - 18 trucks per day that would divert to 140 without restrictions. It was discussed with 37 people and they interviewed 50 carriers, both national and local for an update to the numbers. It would take \$53 million to eliminate the length restrictions – that does not include the safety requirements. This cost estimate is based on preliminary planning level – If the Region wants to advance this project, they need to do preliminary engineering. The update interviewed shippers and found that as many as 250 – 300 additional trucks per day would use the route without length restrictions. [Reference Table 19 pg. 33 for following comments] The base assumptions were travel at 50 mph trucks using this route would save \$0.65 per mile and 1 to 2 hours travel time. When do analysis out over a year it is an annual savings estimate of

\$14,442,788 - \$18,540,016. The estimate of trickle benefits related to construction is between \$4.5 and \$6.8 million dollars. The society at large does not really see improvement from this. The areas that need improvement are not really safety concerns for average vehicles.

Sorin asked for questions or discussion:

John Elliott asked what was the cost of fuel at the time of the analysis of cost per mile?

Sorin said the analysis was based on projections of a truck getting 8 mpg, traveling 50 mph, with fuel costs over \$3.50 per gallon.

Ernie Palmer noted that if shippers won't benefit, consumers won't benefit, and there are no environmental or air quality benefits, how do you justify the project? Sorin responded – it says you don't

Ken Kestner wanted to know if they looked at benefits to local users and economy of local folks?

Sorin – not in the detail you would like.

John Elliott noted that comments on page 31 do seem to show benefit.

Sorin referred John to section VI.a – the need for additional engineering, the cost analysis does not include maintenance, the need to conform to ODOT design standards.

Jeff Ball said he does not understand how \$18 million in cost reduction will not have any benefit to the economy.

Brad Winters had questions about the \$0.65 per mile – is that fuel saving only? Sorin referred him to Table 18 which shows how the per mile savings was calculated.

Brad also questioned the lack of economic benefit? Sorin said the calculation for economic benefit is a look statewide – the benefit is just changing from one area to another.

Ernie Palmer noted that by looking statewide and seeing that 250 - 300 trucks per day will shift from I-5 in Salem to Highway 140, the loss won't be noted in Salem due to the volume of traffic, but will be a great economic benefit to Lakeview; and saying because it is a zero benefit to the State means it is not a benefit is once again that side of the hill screwing this side of the hill.

Sorin responded that the study talking about 250 – 300 more buying lunch, gas, etc. – that would be a transfer of benefit from one area of the State to another – but does not increase economy statewide.

Larry Holzgang noted that truck drivers are only allowed to drive 8 – 11 hrs per day – does the time savings allow for travel in one day versus a night in a motel, and did the study look at that? Sorin said they did not count that.

Bill looking at 2001 study – it showed corridor improvement \$54.1 –the new is \$53.1 – Bill also commented last bullet shows improved highway would show improved tourism benefit. Sorin noted that was not a focus of the update, and asked if the Board thinks it is important? Bill answered yes, he thinks the state of the world people are traveling more within the country in spite of fuel costs – it will increase tourism traffic from Salt Lake to the coast – 2001 study noted that would outweigh the truck traffic.

Brad agreed that improvements to Highway 140 would improve tourism traffic.

Mike Stinson updated the Board to the engineering needs. Mike noted in the video of a truck driving the route, it validated the need for correction because of the wheels crossing the line. The video showed that Greaser Canyon is not a problem and ODOT had thought it would be, but Dougherty Slide it was huge. Mike noted that the driver drove as slow and safely as he could – Mike asked if we ran it with a driver at normal speed, Bly Mountain and Beatty Curves would be our top two biggest areas. Mike asked the driver about his trip – he said at Bly Mountain and Beatty Curve you just float. Mike asked him what floating is? The driver responded that when you see a car coming you get over into your lane, the rest of the time you take the center of the road. This told ODOT they are right on target for the areas that need improved.

Commissioner Dan Shoun noted that he heard part of the estimates are based on a 55 mph trip, you can't go that fast in a truck with the grades. Butch explained he is correct, the information plugged into Mapquest that gave the time estimate is not truly attainable on this road. Mike has never followed a truck up Greaser Canyon faster than 40 – 45 mph they do make up time on the flat. This did show that we are looking at the right projects. The cost of Bly Mountain has almost doubled due to cost of oil, fuel, price of construction – 2004 / 2005 Bly Mountain was \$10 million, now it is \$17.3 million and counting. Beatty Curve, instead of \$1.2 including the archaeology, we are looking over \$3 million for the one mile. Warner Curves has had

phase one work done. At milepost 21 we are in design, we will make that in budget \$1.4 million. Mike thinks the curve by Warner Falls is one of the most challenging, he thinks we need additional scoping, it will be about \$8 million – it is a big tourist feature and we are looking at bridges or viaducts – he thinks the \$8 million is a little short. Mike thinks the number for Dougherty Slide has not been updated, it is more like \$15 million. Mike noted what the study doesn't talk about well is the lack of shoulders, trucks passing each other without shoulders concerns him. The paving and maintaining it concerns him – the current conditions of roads from Lakeview to Nevada line if you turn 300 trucks a day over that he doesn't have enough money to maintain it. Mike has a crew of six people out there in the winter and it was closed for two weeks because he couldn't keep up with the drifting. Mike has concerns about keeping up the level of service. Brad wanted to know how often it was closed over the last ten years – Mike said a couple of days almost every year. Mike would like the Board to consider the preservation and the lack of shoulders in areas, he feels it will come back as a problem if they don't.

BREAK for Lunch

One caution from Mike -The dollar amounts in the study are 2006 dollars – we should have good numbers on construction before we proceed. We need to do preliminary engineering to get those costs. Brad agreed with Mike that any future look at Highway 140 should include the cost of maintenance. Mike also wanted to remind the Board that there are other concerns – Dougherty Slide has a massive archaeological site at the bottom. Looking at the cost of Beatty, it equaled the cost of construction – Dougherty is 8,000 years old.

Last comments

Butch Hansen noted the projection of tourism on Highway 140 is important. Also there are three summits – it will snow on them – they need to be taken into account in the numbers along with the time factors. Bob Bryant pointed out – it is easy to think in today's terms – bring the trucks and tourists and we no longer have the wide open lanes like we have now. Mike Stinson commented that Antelope Canyon concerns him driving it today – you add in trucks and RVs and it will only get worse.

Jack Lee said they will go back and visit some of these economic development issues. He will contact us for an appointment in the future to come back and present their findings.

Brad thanked Sorin and the others for their work on the study and for the presentation.

Truck Counts:

Butch presented the ACT with truck counts on Highway 97, OR 31, US 95, and US 395, from August 2007, to July 2008. Highway 97 and OR 31 experienced a 17% reduction. US 95 had a 10% reduction and US 395 had a 35% reduction in the number of trucks using the road.

Discussion

Bill Brown wanted to know if anyone has done a loss prediction for gas tax from loss of owner-operator trucks due to the price of diesel?

Butch agreed that Bill is right on the mark – the average guy can't afford to run with the price of diesel – he was shocked at how fast the numbers came down when the cost of diesel went up.

John Elliott said the counts seem low – Butch said they come from the in the pavement counters right out of Chemult. John noted they are all clustered coming down the road

Bill wanted to know if anyone had done a projection from the loss of gas tax?

Bob Bryant said the Federal Govt. came out with a notice to all states they have exhausted the cash balance in the Highway trust fund – not a huge surprise because they predicted it in the red in 2009. The rationale for it going down faster than predicted is the reduction in fuel sales. That has been addressed, this week Congress passed a bill that shifts \$8 billion from the General Fund back to the Trust Fund. It will have an impact on both State and Federal Gas Tax. There will be a discussion in Salem and the Federal level in January about how they fund transportation projects.

Al Switzer wanted to know what Highway 97 is designed to carry – at what point does the 1,450 trucks per day impact the capacity of a two-lane road? Bob Bryant said it is calculated in total capacity, not just trucks. Al requested that Butch come back to the ACT at a future meeting with where Highway 97 is at with capacity.

Jeff Ball noted this is the rate of one truck per minute.

Earmarks:

Butch handout is from discussion at the last ACT meeting. Next step is a letter from the ACT supporting one of the earmark projects. If you look at the project you see the passing lanes in red and the OTC recommendation is red also because Butch can bring no dollars to the passing lanes as much as he would like to – there is 11% match. His best option that has the lowest amount of risk is the Highway 140 projects. He would recommend the Bly Mountain and Beatty Curves project. Continue to find away to fund the Beatty Curves and continue to pay off the funding gap on Bly Mountain. He has the money to make the 11% match for those projects.

Bob Bryant noted it has been quite a few years since congress has earmarked 100% of an urgent needs project. More times than not, it hasn't been enough to fully fund the project. We hate to turn money back because we can't come up with the match.

Discussion

John asked – Passing lanes on Highway 97 are not on the STIP? No – John asked, if extension of existing lanes has to be on the STIP? Butch said a project being on the STIP means you have funding set aside. Butch was looking at half mile extensions – from 1.5 to 2 miles on the East side of the road. The construction cost right now is about \$2 million.

Ernie just came from a meeting in Salem where they have had discussions with the Federal Government – they are looking at 2-5 years for funding.

Al asked Bob if he has heard at his level where the Federal Government is headed with the Interstate System? Bob has heard nothing certain – Blumenhour came out and said we need to fund all infrastructure. Bill expressed the earmark on Bly Mountain and Beatty Curves is priority – the earmark request is for \$4.6 million – with Secure Rural Schools gone and the gas tax going down, Klamath County has a small reserve they are depending on – why not ask for an increase in the Earmark.

The Board wanted to know, if we have more match do we stand a better chance at the earmark?

The answer was, the more money a project has, it always has a better chance of getting funded.

The COACT was not successful at achieving the goal of having their top project to forward as the priority for Region 4.

The Board felt if this is the priority put forward we should put the projects back together as one, with staging.

Moved: Ernie Palmer Second: Bill Brown To recognize the Highway 140 projects as the SCOACT priority for Earmark.

Discussion

Question for Bob Bryant –

Did Region 4 come with priority – Bob said no – he can't accommodate them, but he has to forward it – he will have to prioritize projects submitted.

Al commented that this project is the number 2 priority for Forest Highway funds in the State projects list.

Ayes: All Nays: None

Area Members Reports:

Brad for Lake County – After last winter – they had a declaration of disaster, and got a snowblower from Kingsley Field – Lake County bought one – they may help on Highway 140 in partnership with ODOT if needed. Butch and Brad to discuss at a future time.

Stan Strickland for Klamath County – they did 60 miles of chip sealing with is less than usual. The Sprague River Bridges were completed with OTIA funds to cover the full cost.

Ernie Palmer for BTS – they have a new 35 foot bus on the Weyerhauser route – it is a green fuel vehicle with video surveillance including infared – it was 90% funded by ODOT – thank you to ODOT.

Butch ODOT Area Report - Status of Crooked Creek – they continue to struggle with engineering.

Representative Gilman – his area includes Crook County, Jackson, Josephine, ACTS as well as here. He is impressed with the work of each. He appreciates the opportunity to be here.

Next Meeting

October 10, 2008 – Conference call

Public Comment:

None

Adjourned: 11:51 by: John Elliott, Chair