

OREGON TRANSPORTATION COMMISSION

Minutes of the Regular Monthly Meeting

July 23, 2009

Forest Grove, Oregon

On Thursday, July 23, 2009, at 8:30 a.m., the Oregon Transportation Commission (OTC) and Oregon Department of Transportation staff held a briefing session and agenda review in the Rounder Room at Grand Lodge, 3505 Pacific Avenue, Forest Grove. The regular monthly meeting began at 9:30 a.m., in the Compass Room.

Notice of this meeting was made by press release of local and statewide media circulation throughout the state. Those attending part or all of the meeting included:

Chair Gail Achterman
Commissioner Janice Wilson
Commissioner David Lohman
Commissioner Alan Brown
Director Matt Garrett
Chief of Staff Joan Plank

Deputy Director for Highway Doug Tindall
Trans. Development Administrator Jerri Bohard
Region 1 Manager Jason Tell
Commission Assistant Amy Merckling
Government Relations Manager Robin Freeman

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Chair Achterman called the meeting to order at 9:30 a.m.

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Director's report highlights:

--On July 6, 2009, Director Garrett met with Governor Kulongoski, U.S. Transportation Secretary Ray LaHood, Washington State Governor Gregoire, and WSDOT Secretary Paula Hammond to discuss: the Columbia River Crossing; the alternative fuels corridor; and the partnership with high speed rail.

--Senate Bill 338, (Go Oregon), provided \$175 million to fund a backlog of projects at state facilities and allowed ODOT to secure one hundred and one projects. As of July 15, 82 of those projects have been completed, and 13 are in construction. Fifty-seven of the 96 active projects were awarded to minority, women owned, or emerging small businesses.

--The Motor Carrier Division has worked aggressively to ticket aggressive car and truck drivers, and continues to engage this effort with law enforcement officers and the trucking industry. Earlier this month, a joint exercise in the Eugene/Springfield area resulted in 50 citations and 46 warnings being issued for safety and legal violations.

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Public comments:

Sharon Nasset expressed opposition to the Columbia River Crossing Project. She said there is no support for the project, and that the process has not been open to other alternatives, such as a third bridge. She asked for step-by-step directions for putting the project back on for a supplemental Environmental Impact Study. Chair Achterman made a note to follow-up on the question of how to address third bridge alternatives as we move from draft to supplemental.



The Commission met with the Historic Columbia River Highway Advisory Committee (HCRH) to receive an update on its education and outreach efforts, and to participate in a discussion on HCRH's future goals. HCRH Chair William Pattison showed a short video about the work that has been accomplished in the Columbia River Gorge, and the work that remains to be completed to restore and re-connect the historic highway. The highway was constructed in the early 1920s, and many sections of the highway were abandoned with the construction of Interstate 84. The restoration of those sections, and the challenges faced re-connecting the remaining 12 miles of highway, was the topic of discussion.

HCRH Vice-Chair Wayne Stewart said the goal is to reconnect the last 12-mile segment by 2016 and discussed the three highest priority sections that are waiting for funding to complete.

Multnomah County Representative Ernest Drapela thanked the OTC for supporting HCRH's transportation reauthorization request to Congress and said he appreciates ODOT staff's continued work on Mile Post 20-16 reconnection strategy. He invited the Commission to participate in the ribbon cutting of the Historic Columbia River Highway Trail at Viento State Park on August 15.

Chair Achterman expressed her passion and support for this effort and asked if local governments and others were stepping up to help with funding. Ernest Drapela said there are about 30 different entities, and well over 200 people, who have responded favorably to HCRH's outreach. Chair Achterman suggested we find an opportunity to present the video shown today to the Union Pacific Railroad CEO to see if the railroad might embrace this as part of its heritage. This is a tremendous opportunity for economic development on many fronts in Oregon.



The Commission considered approval of additional expenditure of American Recovery and Reinvestment Act (ARRA) funds. (*Background material in General Files, Salem*)

Deputy Director for Highways Doug Tindall gave a brief report on the \$234 million allocated earlier this year for ARRA projects. Roughly 2000 jobs have been created, and ODOT continues to see good competition in the construction industry, resulting in savings of about \$42 million. ODOT's request today is to use the balance of saved ARRA funds to purchase

passenger train equipment and to fund state solar highway projects. ODOT staff believes Oregon's position to receive ARRA High Speed Rail grant funds will be enhanced significantly if Oregon can demonstrate continuing passenger service. This funding will benefit not only passenger rail, but will also benefit freight rail throughout the state by strengthening the infrastructure. The second recommendation is around Solar Highways, a key component to reducing greenhouse gas and strengthening the environment.

Mary Gautreau spoke on behalf of Senator Wyden's office to ask the Commission to consider a request to add the proposed Sunriver-Benham Falls – Lava Lands Visitor Center multi-use bike and pedestrian path to the existing Lava Butte – South Century Drive Highway project.

Commissioner Wilson moved to approve the request for a \$35 million reallocation to purchase passenger train equipment. Commissioner Brown opposed the motion. The motion was passed by approval votes from Chair Achterman and Commissioners Wilson and Lohman.

Commissioner Lohman moved to approve the request for \$2 million for Solar Highway projects. The Commission unanimously approved the motion.

Chair Achterman noted that the Commission appreciates the need for multi-use trail systems in Central Oregon. While the trail project has the same tourism benefits as the Columbia River Highway project, it has not been approved, or even reviewed, by the Transportation Enhancement Advisory Board that has approved all other multi-use trail projects funded with stimulus funds.



The Commission considered approval of an amendment to 2010-2013 Statewide Transportation Improvement Program (STIP) Funding Levels. (*Background material in General Files, Salem*)

Doug Tindall said that even with the passage of HB 2001, there is not revenue to support all the projects in the 2010-2013 STIP. ODOT proposes to reduce the 2010-2013 STIP by \$247 million and requests adjusted funding levels as summarized below:

Preservation	decrease \$	147 million
Bridge	decrease \$	42 million
Operations	decrease \$	26 million
Safety	decrease \$	32 million
Modernization	increase \$	72 million

The recommendation was built almost proportional across the preservation, bridge, operations and safety programs, based on the original STIP, with the exception of the bridge program, for which the cut is less. The bridge program is already contributing \$31 million to paying OTIA debt service for the OTIA Bridge Program.

There are projects in the existing draft STIP that meet the legal definition of modernization, and staff recommends that the Commission direct area commissions to give priority to funding those projects in non-modernization programs with the new modernization dollars that came with HB 2001. This will reduce the impact on the STIP and allow ODOT to make only \$247 million in cuts.

As revenues started to plummet with the recession, the projection was a \$364.2 million cut to the 2010-2013 STIP. HB 2001 added \$162.5 million of new revenue to offset those cuts, resulting in the \$247 million cut proposed today. Minimum modernization obligations of \$71.6 million will leave \$90.9 million in reductions to be spread among the remaining program categories.

Commissioner Wilson said it was disappointing to have to make cuts to preservation, operations, safety, and maintenance programs. If we don't preserve and maintain what we have, and don't put money into operations, we lose the cutting-edge, most cost efficient way of doing business. Commissioner Lohman agreed.

Chair Achterman stressed the importance of educating our local government partners and legislators on a couple points. Continued reliance on the gas tax, even with the increase in gas tax and registration fees, will not provide the revenue to deliver on projects needed around the state to hold the system together, let alone meeting the needs of a growing population. In addition, it came as a surprise that the statutory mandate requiring spending a minimum percentage of the entire STIP on modernization was not met by the earmarks made in HB 2001. The bill was written in a way that minimum modernization requirements are an additional amount that must be met over and above the earmarked projects. The second key point is the need to communicate with the area commissions and legislature exactly where ODOT stands, that expenditures do not match the Oregon Transportation Plan. We are over-investing in modernization and under-investing in maintaining the existing system.

Commissioner Lohman moved to approve adjusting funding levels for the 2010-2013 STIP and to give priority for new modernization projects to those projects in the draft STIP that meet the definition of modernization, but were shown in a different program. The Commission unanimously approved the motion.



The Commission received an overview of the 2009 Legislative Session and an update on the end of session activities that had an impact on the Oregon Department of Transportation. *(Background material in General Files, Salem)*

Government Relations Manager Robin Freeman said ODOT staff tracked 635 of the 2782 bills, memorials and resolutions introduced during the 2009 legislative session. ODOT prepared and submitted 131 written testimonies to committees and prepared 316 fiscal impact statements. The Government Relations staff is currently compiling a comprehensive Legislative Summary of the 2009 bills that had a significant impact on our agency. The summary should be available around September 15.

Robin Freeman gave a brief overview of the state budget, the ODOT budget, bills passed of particular interest or impact to ODOT, the February 2010 Scheduled Special Session, and two budget notes that apply to ODOT. The first note gives ODOT an October 1, 2009, deadline to provide the Joint Ways and Means Committee a timeline for the completion of, and a status report on, each project identified in Section 64 of HB 2001. The second note directs the Department of Administrative Services to review timelines, objectivity, and methodologies for completion of tasks used by ODOT in performing its revenue forecasting duties.



The Commission considered approval of a Type A Immediate Opportunity Fund (IOF) request in the amount of \$347,358 by the City of Madras for the construction of a collector street serving both the airport and industrial park.

Madras City Administrator Mike Morgan and Public Works Director Gus Burril explained that the IOF is a job preservation effort, as well as a new job development effort. It will fund improvement of 1,950 feet of NW Airport Way in Madras, which will provide access to the Butler Aircraft maintenance facility. The will allow their Redmond facility to retain two existing jobs and create 13 more in Madras within two years, five of those jobs within six months. In addition to retaining the Butler Aircraft Company in Oregon, these improvements will facilitate the development of industrial property in the Jefferson Park Business Center.

Commissioner Lohman moved to approve the IOF grant. The Commission unanimously approved the motion.



The Commission considered approval of a request to add to the 2008-2011 Statewide Transportation Improvement Program projects specified in Section 64 of House Bill 2001 from the 2009 Legislative Session. (*Background material in General Files, Salem*)

The Commission gave Doug Tindall some questions it would like to see addressed before the report goes back to the legislature in October.

- 1) A number of projects on the list have an estimated construction year later than 2013. What is the money being used for in this year's STIP?
- 2) In the normal STIP process, a number of these projects would have scheduled report-backs to the Commission before approving the expenditure of additional funds and specific phases. How will reporting and check-in be built into this process?
- 3) HB 2001 mandates pilot projects on tolling, specifically to the Portland metropolitan area. What are the opportunities for one or more of these projects to be a pilot project, and how could this be lined up with the tolling studies already completed?

Commissioner Brown moved to approve the amendment to the STIP. The Commission unanimously approved the motion.



The Commission considered approval of the Consent Calendar.

1. Approve the minutes of the May 7, 2009, Special Meeting and June 23, 2009, meeting in Salem. (With exception noted below.)
2. Confirm the next two commission meeting dates.
 - Tuesday and Wednesday, August 18-19, 2009, in Klamath Falls
 - Tuesday and Wednesday, September 15-16, 2009, in Eugene
3. Adopt a resolution for authority to acquire real property by purchase, condemnation, agreement or donation.
4. Moved to Agenda as Item J.
5. Amend the Oregon Highway Plan to establish the highway classification of "Statewide Highway" for the Highway 140 Extension.
6. Approve the route location and highway design for the relocation of the state highway for Council Creek – Quince (Hwy 47 Bypass), Nehalem Highway, in Washington County.
7. Approve temporary Oregon Administrative Rules (OAR) modifying language to OAR 731-070-0240, -0250, -0260 and -0270, "Solicitation of Proposals for Office of Innovative Partnerships Program (OIPP) Projects."
8. Moved to Agenda as Item G.
9. (Previously Agenda Item H.) Approve a Type A Immediate Opportunity Fund request in the amount of \$79,837 for the improvement of Bensel Road in Umatilla.
10. (Previously Agenda Item I.) Approve an agreement between the Oregon Department of Transportation, Crook County and 818 Powell Butte, LLC aka Crossing Trails Resort to mitigate anticipated traffic impacts caused by the development of a 500-unit destination resort located approximately five miles west of Prineville, adjacent to Highway 126.

Commissioner Wilson moved to approve the Consent Calendar with a note to amend the May 7, 2009, Special Meeting, OTC minutes on the third page. The last sentence of the second paragraph under Public Comments will be amended to read *local officials*, instead of *local legislators*. Commissioner Wilson moved to approve the Consent Calendar. The Commission unanimously approved the motion.



Public comments continued.

Ronald Swaren expressed concern that the subject of tolling, and the Columbia River Project, has not been analyzed properly. It's important that the public know how and where tolling dollars will be used, and the results of studies taken on traffic on Interstate 5.



Chair Achterman adjourned the meeting at 12:44 PM.



Gail Achterman

Gail Achterman, Chair

Not Present

Michael Nelson, Vice Chair

Janice Wilson

Janice Wilson, Member

Alan Brown

Alan Brown, Member

David Lohman

David Lohman, Member

Roxanne Van Hess

Roxanne Van Hess, Commission Support