

OREGON TRANSPORTATION COMMISSION

Minutes of the Regular Monthly Meeting May 20, 2009 Salem, Oregon

On Wednesday, May 20, 2009, at 8:00 a.m., the OTC and Oregon Department of Transportation staff held a briefing session and agenda review in Room 135 of the Transportation Building, 355 Capitol Street NE, Salem. The regular monthly meeting began at 9:30 a.m., in Conference Room 122.

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	Public Transit Administrator Michael Ward
Vice-Chair Michael Nelson	Governor's Sr. Trans. Advisor Chris Warner
Commissioner Wilson – by telephone	Region 1 Manager Jason Tell
Commissioner David Lohman	Region 2 Manager Jane Lee
Commissioner Alan Brown	Region 3 Manager Paul Mather
Director Matt Garrett	Region 4 Manager Bob Bryant
Chief of Staff Joan Plank	Region 5 Manager Monte Grove
Deputy Director for Highway Doug Tindall	DMV Administrator Tom McClellan
Deputy Director Central Services Lorna Youngs	Technical Services Admin. Cathy Nelson
Trans. Development Administrator Jerri Bohard	Rail Division Administrator Kelly Taylor
Communications Div. Admin. Patrick Cooney	Commission Assistant Amy Merckling

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

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Director's report highlights:

--Freight Manager, Jack Lee, recently attended a Western Freight Roundtable conference, at which he heard valuable feedback. One railroad executive said that Oregon was the one state getting it right and that *ConnectOregon* is one program that works. Oregon was touted as leading the way in terms of engaging freight advisory groups. We apparently are the only state that has established a statewide advisory committee. Oregon is also the only state that had initiated and funded a comprehensive Freight Plan.

--ODOT had 101 projects funded under the "Go Oregon" Program (SB 338). As of last week, we report 48 projects complete; and 48 under way. (Three are postponed or canceled.) ODOT has paid out \$872,470. Fifty six contracts have gone to emerging small, women-owned, minority-owned and disadvantaged businesses for a total of \$1.1 million in value.

--In 2007 ODOT's Public Transit Division (PTD) learned of changes to Federal Transit Administration (FTA) rules governing match requirements for Intercity Bus Service funds. This change opened the door to funding a pilot program for a new Oregon Intercity bus service without the requirement of State or local matching funds. Under the new FTA match

rules existing Greyhound service along the I-5 corridor will act as the matching requirement for the new SouthWest POINT service.

The SouthWest POINT started service on April 20th 2009. The service runs 7 days a week 365 days a year and serves the communities of Brookings, Smith River CA, Crescent City CA, Cave Junction, Grants Pass, Gold Hill, Medford, White City, and Klamath Falls. Connections to Greyhound service are available in Grants Pass and Medford. Connections to Amtrak are available in Klamath Falls. The service is the only regularly scheduled bus service connecting Hwy 101 to the I-5 Corridor in the 400+ miles between Willows, CA, and Eugene, OR.

--MCTD is in the final stages of producing a tri-fold promotional brochure for its Trucking Online Direct Payment service. You're seeing it today, and tomorrow (May 21) it's under review by the Motor Carrier Transportation Advisory Committee. This is part of a multi-faceted Implementation Plan and Marketing Strategy for promoting the service. The brochure goes to the printer next week so that in June the Division can begin inserting it in its mailings to motor carriers, as well as distributing it to trucking associations for insertion in their own mailings.

As mentioned in the April Director's Report, MCTD is counting on Direct Payment to become the preferred payment method for online transactions because it's such a low-cost alternative to credit cards. Rather than paying banking fees equal to about 2.2% of each credit card payment, MCTD will pay 6 cents for each Direct Payment. Thus, the Division is marketing Direct Payment as a way for motor carriers to keep their taxpayer dollars in the Highway Fund where they can be used for roads and bridges, rather than spent on banking fees. Without much of any coaxing in the first two months it's been available, 80 motor carriers have already signed up and started using the payment option.

--ODOT's Communications Division submitted four applications for *Blue Pencil and Gold Screen Awards* given by the National Association of Government Communicators and won three awards. This is an indicator of the quality of writing, production, and good communications practices that come from our public affairs staff.

Sally Ridenour, of our strategic communications staff and Peter Murphy, our Public Information Officer in Region 4, and John Kazmierski from Photo/Video produced the pieces that won the awards, but they represent the whole of the professional staff we are proud to have working for ODOT. A photo of the award winners was taken with Director Garrett and Chair Achterman.

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Public comments: None

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The Commission received an update from the Motor Carrier Transportation Advisory Committee (MCTAC). (*Background material and PowerPoint presentation in General Files, Salem*)

Motor Carrier Transportation Division Administrator Gregg DalPonte gave a brief history of MCTAC's origins and its representatives and discussed the differences between MCACT and OFACT (Oregon Freight Advisory Committee).

Don Miner from the Oregon Manufactured Housing Association gave an explanation of MCTAC activities and some of the policy, operational, and efficiency issues that are often topics of discussion at MCTAC meetings.

Redmond Heavy Haul Vice-President Steve Bates gave specific examples of MCTAC discussions that have been beneficial:

- Vertical clearance issues
- Drug testing
- Trucking on-line
- Regulations on rear over-hang
- CDL testing in foreign language

Chair Achterman thanked the committee for its participation in this process, which has been successful in helping industry learn about government, and government about industry.



The Commission considered approval of a list of Public Transit projects for the 2009-2011 Discretionary Grant Program. (*Background material in General Files, Salem*)

Public Transit Division Administrator Michael Ward presented the list that totals \$23.42 million:

- \$14.9 million. Older Adults and Individuals with Disabilities. This program provides support to transit providers offering trips that support independence for individuals 60 years and older and individuals with disabilities. \$12.5 million are federal funds, and \$2.4 million are state funds.
- \$1.44 million. Job Access and Reverse Commute (JARC). This program provides additional access to jobs for low income, older adults and people with disabilities. These are federal funds.
- \$1.16 million. New Freedom (NF). This program provides transportation access for individuals with disabilities that goes beyond the mandated access requirements of the ADA. These are federal funds.
- \$1.92 million. Rural Intercity Bus. This program supports bus service connecting rural areas to the next larger community service areas or to longer distance travel options. These are federal funds.
- \$4 million. Mass Transit Vehicle Replacement. This program improves the quality of Oregon's urban bus service and fleet by helping larger systems replace buses that can not meet federal standards for condition, age and mileage. These are federal funds.

Michael noted that the portion of JARC funds allocated for Small Urban applications, (\$535,000), will come back in June with additional information from the applicants.

The Commission expressed interest in getting more information about ridership in the Rural Inter-city Bus Program to compare cost benefits on these types of investments. What's the metric for evaluating investments in these kinds of transit facilities compared to adding lanes on highways or other investments? Michael Ward said he would bring this information to a later commission meeting.

Commissioner Lohman moved to approve the Public Transit projects list for the 2009-2011 Discretionary Grant Program, with the exception of the \$535,000 JARC funds noted above. Commissioners Brown and Lohman noted potential conflicts of interest. The motion passed unanimously.



Commission members participated in a discussion with members of the Northwest Oregon Area Commission on Transportation (NWACT).

NWACT Chair Shirley Kalkhoven gave the commission the 2007-2008 NWACT Biennial Report and copies of recent NWACT newsletters. Highlights of Chair Kalkhoven's comments:

- The winter storm of 2007 caused massive damage, with thousands of acres of downed trees along Highways 101, 26, and 30.
- Chair Kalkhoven participated in the *Connect Oregon II* process as a member of the final project selection committee. Of the eleven projects submitted from northwest Oregon, five were approved for funding.
- Scenic highway projects are planned.
- Small cities in Oregon are very appreciative of ARRA funds received and note the need to maintain what we already have.
- Freight mobility has become an issue in Tillamook. The broken rail line has not been repaired.

Vice-Chair Ron Bline talked about the importance of rail as a component of economic development in their area. Two immediate opportunities exist for economic development; the Astoria line down the Columbia River, and development of a yard in Westport for storage and turnaround, to help ease the congestion in Rainier with the ethanol plant. There is also a new commercial air service at the coast and hopefully will be successful.

Chair Kalkhoven suggested ways to strengthen the relationship between ODOT and the various ACTs.

- Continue to involve ACTs as advisors when issues or policy questions arise.
- Continue view of 'one transportation system'.
- Cooperate on funding.
- Conduct more Meeting of the Minds.
- Continue to support the way transportation supports economic development.
- OTC commission members attend ACT meetings.

The Oregon Transportation Commission members thanked NWACT for its support and participation. The area commissions have been very beneficial in opening up relationships between state and local governments.

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The Commission considered approval of a request to increase the American Recovery and Reinvestment Act funds for the Oregon 138/US 199 chip seal project and the Oregon 99 E/US 238 paving (Grants Pass) project. (*Background material in General Files, Salem*)

Deputy Director for Highways Doug Tindall and Region 3 Manager Paul Mather asked for an administrative adjustment to allocate funds from the I-5 Booth Ranch-Glendale project that came in \$1.3 million less than the approved amount, to two projects in Region 3 that went over-bid. The Oregon 99/US 238 paving (Grants Pass) project came in approximately \$475,000 higher than the approved amount, and the Oregon 138/US 199 chip seal project approximately \$600,000.

Commissioner Lohman moved to approve the funds reallocation. The motion passes unanimously. The Commission asked Paul Mather to let our partners know about the reallocation of funds.

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The Commission considered approval of items on the Consent Calendar. (*Background material in General Files, Salem*)

1. Approve the minutes of the April 15, 2009, meeting in Salem.
2. Confirm the next two commission meeting dates.
 - Tuesday, June 23 , 2009, in Salem
 - Thursday, July 23, 2009, in Forest Grove
3. Adopt a resolution for authority to acquire real property by purchase, condemnation, agreement or donation.
4. Approve the following Oregon Administrative Rules (OAR) action:
 - a. Amendment of 735-016-0030 and 0060 relating to proof of residency or domicile; establishing intent to remain or return to Oregon.
 - b. Adoptions, amendments and repeals in Chapter 735, divisions 170, 174 and 176 relating to Oregon fuels tax.
5. Approve the extension of the current Delegation Order giving authority to the Director and Deputy Director for Highways to approve cost overruns of any amount when the primary cause is cost escalation.
6. Approve a request to adopt the Interstate 5 Interchange 136 Interchange Area Management Plan (IAMP) in Region 3 and amend the 1999 Oregon Highway Plan.
7. Approve a request to adopt the Interstate 5 Exits 119 and 120 Interchange Area Management Plan (IAMP) in Region 3 and amend the 1999 Oregon Highway Plan.
8. Approve a request to amend the 2008-2011 Statewide Transportation Improvement Program to change scope of the Oregon 213 at Redland Road project to Oregon 213: Interstate 205 – Redland Road over crossing in Oregon City. This project will be funded through design.
9. Approve a request to amend the 2008-2011 Statewide Transportation Improvement Program by authorizing \$998,025 in Transportation Enhancement Discretionary funds be used to construct the Springfield viaduct section of the South Bank in conjunction with the Willamette River Bridge project in Lane County.

10. Approve a request to appoint David Forkner and reappoint Elizabeth (Betsy) Belshaw, Mark Schumacher and Kim Clark to the Winter Recreation Advisory Committee.
11. Moved to Agenda Item F.
12. Moved to Agenda Item F.
13. Approved a request to redistribute \$20,000 short line railroad rehabilitation funds to the Coos Bay Rail Link Railroad in Coos Bay, Oregon.
14. Moved to Agenda Item I.

Commissioner Brown moved to approve the Consent Calendar. The motion passed unanimously.



The Commission considered adoption of a proposed emergency administrative rule for the determination of the amount of federal transportation funds for allocation to certain non-highway transportation projects and purposes. (*Background material in General Files, Salem*)

Transportation Development Administrator Jerri Bohard explained that emergency rules are effective for 180 days and a final rule will be brought back to the Commission for approval during that time. The emergency rule would allow for \$24 million of federal transportation funds to be allotted for non-highway projects, with ten percent of these funds dedicated to projects eligible under the Elderly and Disabled Transportation Program.

Commissioner Brown moved to approve adoption of the emergency administrative rule. The motion passed unanimously.



The Commission considered approval of a request to fund a list of projects, recommended by the Oregon Legislature. (*Background material in General Files, Salem*)

Director Garrett explained that a list of projects, that improve freight mobility, reduce traffic congestion, enhance safety, and promote economic development, was developed in response to a request from the governor to provide a menu of project options to consider for the transportation funding package. A legislative working group returned its recommendations, which include 37 specific projects and 12 reservations of funds for certain jurisdictions in Region 5.

Senate Transportation Committee Chair Rick Metsger and House Transportation Committee Chair Terry Beyer thanked the commission for the dialogue and collaborative effort that resulted in the sub-list of projects being presented for approval to go to the legislative assembly. These projects are key to mobility, improved congestion, and moving commerce in the state. This portion of the funding package will not only create immediate jobs during construction, but enable jobs for years to come because of the access it will provide for citizens.

Commissioner Brown thanked Senator Metsger and Representative Beyer for their work and commitment to transportation in Oregon. He noted that the projects are embedded in the bill

and asked how we would meet those goals if there are cost changes. Senator Metsger said this is a 5-7 year program and all projects won't go to bid in the first year. We will get more clarity as each project goes on line. "Wedge funds" would be available to meet cost overruns on a temporary basis, and the expectation is that transportation is not a one session issue, and differentials can be addressed at future sessions.

Public comments continued:

- 1000 Friends of Oregon Executive Director Bob Stacey suggested other projects might offer greater economic development potential. He asked the commission to decline the list recommended by the Oregon Legislature, and instead, ask the Legislative Assembly to take the time between now and when the bonds are issued, and make its report and recommendations to the 2010 special session.

- Oregon Environmental Council (OEC) Deputy Director Chris Hagerbaumer expressed OEC's concerns about the project list and what it feels is a lack of process related to the list. Deputy Director Hagerbaumer presented five questions to the commission.
 1. Have the projects been reviewed to meet such considerations outlined in section 17 of HB 2001?
 2. Have the projects been reviewed to meet requirements of ORS 366.292?
 3. Have the projects come under the scrutiny of the certainty that gas prices will return to \$4 or more?
 4. Will the process of earmarking projects at the state level have the effect of requiring changes to the STIP?
 5. Will projects in areas of the state designated as air quality maintenance areas violate the requirements of the Clean Air Act?OEC recommends that the commission not approve the list, but instead, perform a more rigorous process to determine what should be funded with new transportation dollars.

- Bicycle Transportation Alliance (BTA) Board Member and Legislative Committee Chair Doug Parrow expressed BTA's agreement and support of OEC and 1000 Friends of Oregon's concerns about the list and the direction HB 2001 has taken in identifying projects. The list reflects enormous new capacity increases. BTA questions if it makes good sense to increase capacity at a time when the existing system can't be maintained.

Deputy Director for Highways Doug Tindall responded to a question from the Commission on whether the list will have the effect of requiring changes to the STIP that might result in elimination of projects already in the STIP. He explained that some of the projects on the list are additional to projects in the STIP, but the portion or phase of each of the projects listed in the bill is not funded in the STIP. These are additional funds, not displacement.

Department of Justice General Counsel Bonnie Heitsch responded to the question of whether this set of projects needed to go through the additional review process outlined under ORS 366.292, which directs the Commission to consider tolling when approving modernization projects. She explained that this is a separate set of projects that will stand alone and apart from the statute.

Chair Achterman expressed the Commission's deep gratitude and appreciation for the very hard work that a very broad coalition has engaged in to develop this legislation that is currently under consideration. We all recognize there is a desire for people to know and have a good understanding of what will be purchased with the additional funds, when they vote to raise revenue.

The Commission appreciates the fact that the legislature included ODOT in the process of developing the list and chose projects that have been reviewed by the Metropolitan Planning Organizations and Area Commissions on Transportation, and that ODOT had the opportunity for public comment before the list went to the legislature.

The projects are designated in the statute, so it is important for the legislature to understand that given that some of the projects are in different stages of development or not well defined, and some are just one phase of a larger project, ODOT will work hard with local and federal partners to deliver the project the legislature and citizens expect. However, lack of local support or inability to obtain additional funds, as mentioned earlier by Commissioner Brown, will impede our abilities.

Commissioner Lohman moved to approve the May 19, 2009, one page list of projects recommended by the Oregon Legislature. The motion passed unanimously.

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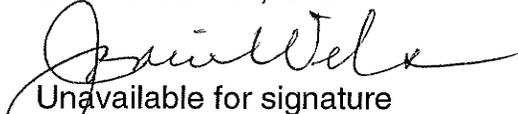
Chair Achterman adjourned the meeting at 3:28 PM.



Gail Achterman, Chair

Unavailable for signature

Michael Nelson, Vice Chair


Unavailable for signature

Janice Wilson, Member



Alan Brown, Member



David Lohman, Member



Roxanne Van Hess, Commission Support