

## **Road User Fee Task Force Meeting Minutes – February 1, 2002**

**Members Present:** Representative Bruce Starr, Representative Joanne Verger, Representative Cliff Zauner, Senator Susan Castillo, Mayor Jim Torrey, Judge Laura Pryor, John Watt, John Charles, Dr. Chris Bell, Roger Hinshaw, Commissioner Randy Papé.

**Members Absent:** Senator Gary George, Commissioner John Russell.

**Staff members participating:** Jack Svadlenak, James M. Whitty, Rachel Knowles, Joan Plank.

A quorum being present, the administrator for the Road User Fee Task Force, James M. Whitty, called the meeting to order.

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A motion to approve the minutes for November 30, 2001 was made. The motion was seconded and the minutes were approved.

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**Presentation** – Metro Traffic Relief Options Study. Metro Council President Carl Hosticka and Metro Program Supervisor Bridget Wiegart presented material on a Traffic Relief Options Study focusing on Value Pricing co-sponsored by ODOT and Metro. The study was started in 1996 and completed in 1999 and funded by a federal value pricing grant. (power point presentation is available)

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**Review of Existing Systems and studies of Alternative Transportation Revenue Mechanisms.** Jim Whitty presented information about reports and projects that other jurisdictions have implemented or accomplished. Some projects focused on control congestion and others on raising revenue. International and domestic examples are available.

OSU Professor Chris Bell observed that there is a strong acceptance of the use of transponders in the Oregon Green Light system for trucks. This is a demonstration that has gone on for seventeen years. GPS is a different system entirely because it allows continuous tracking.

One task force member indicated that a tolling system could easily be implemented on our limited-access highways but the real question is how to fund the rest of the system and GPS can take care of that. Another task force member proposed using tolls while lowering the gas tax at the same time and changing the formula for distribution of gas tax revenues so that more money flows to cities and counties and less to ODOT because the state system would pay for itself.

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### **Interaction with Stakeholders**

Jim Whitty provided information about the stakeholder meeting on January 15<sup>th</sup>. A stakeholder is defined as someone who has an interest in the outcome of the Road User Fee Task Force process. Whitty asked that if task force members see a stakeholder missing from the list, to let him know so that they can be added to the stakeholder list.

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### **Task Force Discussion on Alternative Road Finance Strategies.**

Jim Whitty presented the Framework for Discussion document.

Chair Bruce Starr reminded the members of the Road User Fee Task Force that its charge is not to solve the shortfall in funding for Oregon's transportation system. He said the discussions in the Legislature when the bill was drafted were not about the funding need or increasing the amount of money for transportation. The discussion was about looking at the vehicles on the road, the technology that is available and recognizing that the source of revenue we are using to fund the system is not going to be available at sustainable levels in the long term. The job of the Road User Fee Task Force is to find a way to fund the system after the gas tax stops working.

#### Defining User Fee -

The members of the Road User Fee Task Force discussed "what is a user fee." There were differences of opinion on this definition. Some view a user fee as "paying for what you use." Others took a broader view that a motorist desiring the availability of a road to a distant, rural locale is a user of that facility as well. Still others view the economy and rural communities as requiring a certain road system whether or not the individual vehicles using that system can actually pay for all of it. The task force reached **no consensus** on the definition of "user fee."

#### Allocating User Fees -

One task force member expressed the view that no dollar generated on a particular road should go to another part of the state to support the system. This view is that if we commercialize highways, we can make them run more like a retail business where people who buy things pay for them and thus the system will run more efficiently like the rest of goods in the marketplace. A competing view wondered whether this could work for rural roads.

The task force examined the use of systems development charges in the context of user fees. A significant development could impact the pricing for a particular road and local people might have to bear the burden of a significant increase in a user fee when it is the development that caused the demand and not the local user. This view argued for consideration of a statewide systems development charge to cover this situation.

The task force reached **no consensus** on the appropriate allocation of user fees generated from using a particular facility.

#### Pilot Projects -

The discussion turned to pilot projects. The enabling legislation asked this task force to come back with recommendations on pilot projects. Chair Starr described legislative history on the issue of pilot projects, “One of the reasons why pilots are important - when it comes time to change the system we would have Oregonians that could tell the story. Our ability to sell the change and bring the rest of the public along would be increased. We need to test what we are talking about.”

Chair Starr also observed, “Pilots are different than the statewide system, but pilots give us some data. We have to take whatever system we design, it has to work in Washington County and Gilliam County. We are going to have to spend money in rural parts of the state because you have to have that freight corridor and the ability for people to travel through there. This process is one that is not simple.”

The task force reached **consensus** on the use of nine or ten pilot projects as part of its decision making process. The task force members reached **consensus** on exploration of testing several revenue mechanisms as pilot projects. Among those discussed included,

- Tolling certain roadways and bridges. Some members expressed interest in tolling the interstate system (but recognized there may be federal issues about doing this) and others in tolling some rural corridors. Several task force members agreed that tolling an added lane should be part of this as well as an existing stretch of highway to measure public acceptability.
- Vehicle Miles Traveled (VMT) fee/tax for a specific project.
- Alternative fuel taxes. This could be done through use of a fleet of alternate fuel vehicles.
- High technology, including GPS.
- Congestion pricing to test behavior modification.

Chair Starr indicated the task force could put together a list of criteria to choose which pilot projects to do and work through that in our next meeting. Some will drop out, some will rise to the top, so we can narrow them down and move forward.

Dave Cox agreed to check into the mechanics of how tolling the interstates is done and under what conditions and circumstances. Chair Starr indicated there may be a political necessity to get legislative authority to toll the interstate system and that getting such authority may be a challenge.

Chair Starr described the legislative history about the pilot projects language in HB 3946. He said there is no timeline or deadline to how long a pilot project could run. He also explained

that HB 3946 contemplated the pilots to be actually on the ground but that this does not preclude the use of computer modeling.

The task force expressed the desire to use the ACT's (Area Commissions on Transportation) to identify potential polling pilot projects according to criteria. The task force asked that the department engage the ACTs in this endeavor.

The task force reached **consensus** that the framework for analysis document presented by the staff should be retained as a reference for judging the effectiveness of the various pilot projects according to potential criteria.

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**Public Outreach Model.**

Jim Whitty presented the draft public outreach model. The model describes how the Road User Fee Task Force will interact with the public and when. The draft proposes the task force travel three times in 2002 for public meetings in April, June, and November. Those meetings will be held in conjunction with public meetings, hearings and media contacts. Each meeting would have a different theme.

John Jackley, ODOT public affairs manager explained that when you take a show on the road there is a lot of local and regional interest. The idea is to try and match the public outreach model to the committee's meeting schedule and also to the decision points that the task force will be engaging in. ODOT envisions that there will be some natural cycles of publicity through on the road meetings and when the task force reaches decision points. ODOT recommends setting up an interactive web-site to post any and all information regarding the task force.

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The next meeting will be Friday, March 8<sup>th</sup>.

The timeline will be edited to note the desires of the members.

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Public comments were taken from Kris Hagerbaumer, Gary Corbin and Andrea Fogue.