

## **Road User Fee Task Force Meeting Minutes – November 15, 2002**

**Members Present:** Representative Bruce Starr, Chris Bell, Mayor Jim Torrey, Representative Joanne Verger, John Charles, Senator Gary George, John Watt, David Cox (ex officio).

**Members Absent:** Senator Susan Castillo, Roger Hinshaw, Laura Pryor, Commissioner Randy Pape, Commissioner John Russell.

**Staff Members Participating:** James M. Whitty, Jack Svadlenak, Rachel Knowles

A quorum being present, Chair Bruce Starr called the meeting to order.

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A motion was made to approve the September 6, 2002 meeting minutes. The motion was seconded and the September minutes were approved.

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**Presentation: Institutional Options for VMT Data and Fee Collection Centers.**

Professor Anthony Rufolo presented a report prepared by a research team he assembled at Portland State University to identify and evaluate issues that will affect the desirability of public vs. private data and fee collection centers for mileage fees (a.k.a. vehicle miles traveled fees or VMT fees). Professor Rufolo discussed cost, enforcement, debt collection, flexibility and public perception.

Cox said, “You may not have touched on some very important things such as ownership of hardware. Who is going to own it? The other is ownership of intellectual property. Assuming they will write software, if we want to change to another provider later or open the competition up to someone else later, who will own the software or the hardware?”

Rufolo responded, “That is an issue that depends on how you decide to set up the system. For example if you go with private competition and you let On Star collect it for you then, in effect, the vehicle owners own the hardware and the private provider would own the software. On the other hand if you are contracting out -- for example, in the Virginia system all of the hardware is owned by the state, so if the contractor is not renewed, then the state basically just finds someone else to operate the system. [Ownership of] the intellectual software would depend to a large extent on whether it is going to be a unique system to the state or whether someone will come in and use a pre-existing system that was developed for another purpose. Those are the kinds of issues that need to be formulated in the contract.”

Cox asked, “Did your report make any recommendations regarding these issues?”

Rufolo replied, “ No, basically we concluded you really need to decide what you are going to do first and that that will determine what is feasible.”

Whitty said, “You had mentioned the 20 to 30 percent possible delinquency ratio without a strong enforcement component. Please discuss your research with the Portland Water Bureau.”

Rufolo replied, “The Portland Water Bureau said where they have an enforcement mechanism, there is virtually no delinquency. If people don't pay, [the bureau] turns off the water. As soon as you lose the enforcement mechanism, the delinquency rates go way up. The other delinquency issue is private providers going bankrupt. It clearly matters how the revenue is identified and what the [nature of the] state’s claim is.”

**Presentation: Data Transmission Options for VMT Data and Fee Collection Centers.** Professor Bertini presented a report prepared by a research team he assembled at Portland State University to analyze data transmission options and provide cost estimates for VMT data and fee collections centers. Professor Bertini discussed development of frameworks and cost estimates for mileage fee collection centers and the identification of issues related to data transmission, data collection, fee collection, data processing, billing and payment, including pre-payment options.

Verger asked, “If you have a fleet of cars and they all have tags and the data is going in, where does the billing go?”

Bertini replied, “We can envision different ways that could work. Those vehicles could operate just like any other vehicle and when they are fueled at the fuel pump the data could be transferred at that point directly to the center, or if it is a big fleet they could have their own data collection center.”

Cox said, “Out of state vehicles might pose problems. They may not stop for gas in Oregon or have the right equipment.”

Whitty said, “The task force earlier decided to have the out-of-state motorists continue pay the gas tax until Oregon works out some agreement with other states.”

**Presentation: Oregon DMV Cost Estimates for Collection of a Mileage Fee.** Lana Cully of Oregon DMV presented the cost estimates for collection of a mileage fee by DMV. She said DMV used the PSU cost estimates as a starting point for DMV analysis.

Torrey asked, “Which one of the two PSU cost estimates would DMV’s system be closest to?”

Cully replied, “We compared it to the [cost estimate titled], ‘Service Station or DMV hub.’ We assumed that our field office would be the service centers and our headquarters would be the data and collection center.”

Torrey asked, "Why do you think there is such a differential in the amount of DMV staff required?"

Bertini replied, "We built this up from our analysis of staffing at other similar centers. We also assumed that the statement generation would be done by contract so no billing or paper handling would be done in our version of the center. We relied heavily on the way the Virginia system has been operating to build up our costs. Their system is smaller so we had to make some assumptions about what happens when you have more data, it is not necessarily a one to one relation to the amount of staff that you need."

Cully added, "We are going on our experience with customers and services we provide now. When you do a fee increase a lot of customers that come to the field office because they have questions. We believe we will deal with that [under] this system because it will be a new fee they have to pay. If they have to go to a satellite center to have their [electronic odometer] read, they probably will want to pay [the mileage fee] while they are at a DMV office versus going through the internet or some other tool. The other thing [to consider] is enforcement. This cost estimate doesn't include costs for enforcement."

Whitty said, "Ms. Cully is talking about mileage fee scenario number five involving DMV collection."

**Presentation: Technology Evaluation for Implementation of VMT Based Revenue Collection Systems.** Professors Davis Kim and David Porter led a research team from Oregon State University to obtain and synthesize technical information for the purposes of assessing the feasibility, both technical and economic, of various electronic revenue collection system concepts and to identify technological needs. Kim and Porter presented their report and gave a description of some of the technologies.

**Presentation: Integration of Cost Estimates for Collection of a Mileage Fee.** Whitty and Svadlenak presented two spreadsheets assembling of all the cost estimates for a mileage fee, both capital and operating.

**Presentation: Staff Recommendations for Phasing Implementation of a Mileage Fee System.** Whitty presented the staff recommendation for phasing in a mileage fee. [See Exhibit A for staff recommendation.]

Charles said, "Well technology aside, which I don't feel prepared to speak competently about now, this 20 year phase in, to me, people will take as long as we give them. If you tell me now I have 20 years to comply with something, I will blow it off. That is way out there. It just seems that defers everything and the further you go out, there is so much fuzziness about what is possible then. I am not persuaded that we should wait that long."

Whitty said, "Under the staff recommendation, new vehicles would have GPS, so only the older vehicles lasting longer than 20 years would have the requirement to retrofit."

Charles said, "I would just argue for something a lot shorter than 20 years."

Rufolo asked, "You are arguing for new vehicles [on the new system], but what about people moving between states? Is your proposal to have them required to retrofit?"

Whitty said, "Most often motorists pay hefty vehicle fees to move to another state. Oregon does not have hefty fees, so this might be the one we will have."

Cox asked, "In order to give a comparison with your recommendation to these others we have seen, can you give us a sense per gallon additional cost?"

Svadlenak responded, "We would shifting costs to the purchasers of brand new vehicles or those coming in from out of state. What I think Jim is recommending is most closely analogous to [mileage fee] scenario number 2. Taking away those very large costs for equipment on the vehicles would reduce [the cost estimate] figures substantially."

Torrey said, "If the legislature were to decide to do this, it is probably going to get referred to the voters by someone. Why is this better than just increasing the gas tax?"

Whitty said, "That is precisely why I have the option in the staff recommendation to index the gas tax for fuel efficiency. It is a very simple way to go."

Svadlenak said, "[On the other hand], conceptually once the mileage fee is fully implemented, it gets you a more precise user fee."

Charles requested the comments of the guest presenters.

Kim said, "I actually like the concept of this enhanced radio frequency odometer device. It is the simplest and cheapest for a device that meets the requirements. It would not allow you to do certain things like area pricing in the future but that is part of why the technology is more simple than the GPS based device. If you had to [go with a mileage fee], and do it soon, my opinion is that the [enhanced radio frequency odometer device] would be the best way to go. Given the data that PSU has generated on fee collection center, I guess the [fuel] pump scenario is actually sounding a lot better. Originally I didn't think that was a good way to go because it sounded messy administratively."

Bertini said, "When I am thinking about a 20 year out implementation phase, I think it is more helpful to all of us to get things in the hands of people now for experimental purposes and see how it works. See why it may or may not be better than just raising the gas tax and get some experience now."

Whitty said, "I guess I am confusing things a little bit. There are two ways of getting the mileage calculation devices into vehicles. One is to wait 20 years and the other one is to impose a phase in during the 20 years. They are two different ways and I propose either one or the other. The only retrofit I propose is for vehicles rated at 30 miles or more per gallon. This would get more mileage calculation devices in more vehicles sooner and

affordably. The only reason to ultimately get to GPS in all vehicles is to be able to do road pricing effectively, including area pricing. If the task force no longer cares about road pricing, then we can just put any device that collects data on cars because they virtually all go to the pump.”

Charles said, “Ultimately, in places like Portland, where there are urban highways, there is no place to expand them. If we don't do congestion pricing sometime in the next couple of decades, they are going to be completely grid locked. Whatever option we pick, at a minimum, has to allow for variable pricing.”

Kim said, “There are two different concepts with variable pricing. One is to charge folks for miles they drove within a certain region and not really worry about whether it was really busy in the area at the time. The other concept, which can actually be implemented with this simple radio frequency tags, is real time congestion pricing. For real time congestion pricing, you have certain roads that have readers on them. [You] know in real time that there is an accident or the area is crowded. That type of pricing can be done with devices much simpler than a GPS based device.”

Rufolo said, “One of the things I think the committee should consider is whether it is best to recommend a technology or better to make a recommendation to put out an RFP for people to develop methods for collecting the VMT [from vehicles].”

Torrey asked, “What do you think the timeliness of a response to an RFP like that would be with the number of organizations that would be interested?”

Rufolo replied, “Some of the oil companies that already have GPS systems might be interested in looking at whether it could be adapted to a mileage fee.”

Porter said, “Most of the companies that we talked to mentioned between a 6 or 7 month period for development. Once they have clear requirements, that’s how long it would take for them to develop something for us.”

Cox said, “I like the enhanced odometer. I think there are still things that need to be worked out. I think the phase in problem is probably more difficult than we have talked about because the pumps would have to be phased in and the collection system would have to be phased in on older cars. I would like to see the test. I don't think we can envision all of these problems until we start to try something.”

Starr asked, “If we headed in that direction, how does that tie into our funding criteria?”

Cox replied, “Our first phase of the second part of the contract was to identify something to test and so I think we haven't deviated from that goal and we are still on line. The second phase of that is to actually do the test.”

Starr said, “One of the things that was in the legislation that we passed was the requirement for us to proceed with the pilot program. I think it is important that we come

out of here today with some recommendation to the legislature as to what we think should be tested and ODOT should pilot.”

Torrey said, “We shouldn't stop until we deal with the issues that the legislature asked us to deal with. I am prepared to move forward.”

Whitty asked the task force whether it wanted to compare how the costs of collection at the fuel pump related to the cost of collection at a collection center.

Torrey asked, “How do we deal with congestion pricing if we do it at the pump.”

Kim said, “You could do the real time congestion with the radio frequency devices that would be a part of that and what we are calling enhanced odometer. That would be real time pricing over specific road segments. It wouldn't allow you to track vehicles and say that they drove so many miles in this area, or this county.”

Cox said, “We are talking about a device that hasn't been invented yet. If it can turn itself on and off when it crosses the state line, can it also turn itself on and off if you enter I-5, so you could calculate how many miles we had on an interstate?”

Porter said, “That is actually the easier the way to do things.”

Charles asked, “I have a timing question -- why do we need to decide anything today?”

Whitty responded, “If we are going to do a pilot, we have to know which technology to test. If we are going to test this enhanced device we need to do this quickly.”

Starr said, “If we have to change statute for some reason, the need to get a bill drafted and start that process is now. There is an ability to introduce legislation in the first six weeks of the session but the opportunity diminishes along the way.”

Charles said, “A huge amount of information washed in today. I need time to kick it around and read these reports. I don't feel prepared to make any important decisions yet.”

Whitty said, “I wanted to do a pilot with something real that we thought we could ultimately implement. We need to make our best decision about what a new system is going to look like, realizing that it is likely to change, and then test that. Don't just pick a wild idea because we think it is cute and just test it. That is not something I am personally interested in. You are the task force, you decide. If you want to just take an interesting idea that somebody pulled out of a hat and go test it and isn't based on something that we are actually going to do, then that is up to you.”

Watt said, “I am sensing a certain frustration from staff here, however, I can appreciate all of the work that has been put in here. We have a whole lot of new information all of a sudden. You are asking for a choice on new technology that I just heard about. I need time to process that. If there are things available where we can get some of the people

who are dealing with this on a daily basis to come in with some of their recommendations or proposals, why wouldn't we do that? I feel a rush to judgement here."

Whitty said, "In early April, we have to actually start the technology test, from April to June. That is what the [VPPP] grant says. Although there is some flexibility on adjusting the start date, there is a requirement that after the federal money is obligated, the state has a certain amount of time to start. That is what the issue is. I am feeling a little pressure here to actually choose something so that I can get it going."

Verger said, "We need to carefully build our case because if we make the decisions too quickly, this is not going to be the easiest sell to the legislature. We need to have really good documented decisions on how we go forward. I am eager to see a pilot in place but not so eager that I want to just pilot something. There is a lot of technology out there. I think we better slow down today."

### **Legislation**

Starr indicated the task force was at a decision point on proposed legislation, LC 389 for a studded tire fee and LC 1105 for the pilot test program.

#### ***-Studded Tire Use Permit (LC 389)***

There were two legislative counsel drafts related to the studded tire fee.

Whitty described the LC drafts for a studded tire use permit. One draft is for a statewide fee for the permit. The other draft is for a fee variable by region.

Cox asked, "Did you look at other ways to split the regions, like 4 and 5 together?"

Whitty replied, "Yes, actually we looked at combining into two regions. The permit price for combining regions one, two and four together would be about \$25 or \$26. The other two regions, three and five, could get a permit at no cost by simply registering. Anyone wanting a second permit for regions three and five would have to pay full price of \$26. That way, there would not be a problem with people moving from region to region trafficking in free permits."

George said, "The only thing saleable would be something tied to actual cost to the regions. If you pick up region four, I can tell you the politics inside the [Capitol]. Well guess where a lot of very powerful legislators are from? There should be a modification of the regional fees because it should reflect the actual damage that is occurring in the area. I do think region four has a higher number [for damage] because of region one and two going to their location. The bulk of the damage occurs [in the west]. [The fee] is going to have to be significantly diminished in the east, or nothing at all."

Verger said, "I like the regional idea. It is a user fee. That is what we are talking about. Those who do the damage should pay. I don't believe that a statewide fee is equitable."

Starr asked, "So you understand the difficulties of the black market potentiality and studded tire permits that folks can transfer across the mountains?"

Watt said, "I like the regional [approach]. Let the process work it through. I can't imagine any other alternative that you could offer up to cover the cost of damage."

Starr said, "I agree with having the fees that match the region. I am a little apprehensive to approve the draft as it is now because it does have a \$40 fee for region four."

George said, "There are two issues here. One is to collect money for damages done. The other is to affect decisions people make about the tires they run. Even if you have people that [will] go through a lot of trouble to get a permit from the wrong area, they are going to be thinking, "What kind of a penalty do I have if I get caught with [the wrong permit]. We have a really excellent alternative [to studded tires] so even if it doesn't accomplish the recovery of all of the money, it sends a message about considering an alternative."

Torrey said, "I am supportive of the regional approach, but from a practical viewpoint isn't there some way to help that Eastern Oregon region [four] that [would] pay so much because there are so few [people there]. Are there safety offsets?"

Starr replied, "The likelihood is that we will have either no fee or very low fee for Eastern and Southern Oregon and a significant fee for Western Oregon. If you want to get votes from legislators in Eastern Oregon, that is what you will have to do."

Torrey said, "I think you can get the cities in Oregon to come to the legislature and testify in support of this given the impact it has on the maintenance of our facilities."

Cox said, "Does it apply to government owned vehicles?"

Whitty replied, "There are no exceptions in this bill."

Starr said, "I would entertain a motion to have this task force introduce LC Draft 389-1."

Charles asked, "Why don't we do a third option, simply east/west?"

Starr said, "Well, we don't have that draft, that is my problem."

Torrey said, "I am prepared to give [the task force chair] the authority to make the adjustments based on the discussion here."

Starr said, "Okay, we will instruct staff to have a bill drafted splitting the state into two regions [northwest, south and eastern], for purposes of regional studded tire permit fees."

Dodier said, "I can ask legislative counsel for a draft that has regional fees with blanks and that leaves us time to make additional calculations. The earlier drafts were based on

the earlier discussion. We thought that because there is more damage on the west side of the mountain that there would be a higher charge. It didn't work out that way.”

George said, “These dollars are going to need to go into an account that says, ‘This is for the damage that is caused by studded snow tires.’ If the dollars don't turn out to be as much as we would like, at least it is going to be going for fixing the grooves in the highway that are caused by those studded tires.”

Torrey said, “. . .and [the distribution] goes 50/30/20 [to state, counties, cities], right?”

Dodier said, “The way that the bill is written today, it would go into the highway fund which is distributed today 60/24/16 [to state, cities, counties].”

Starr said, “How difficult would it be to do this studded tire bill 50, 30, 20?”

Dodier replied, “Not difficult, we can do it.”

The task force reached consensus that LC 389-2 be pre-session filed with changes dividing the state into two regions, one northwest and other south and east, with blanks for the rates, distribution of 50/30/20 between state, counties and cities respectively and revenue dedicated to studded tire damage remediation.

#### ***- Pilot Test Program Implementation (LC 1105)***

Dodier presented LC 1105 which would grant ODOT the authority to charge a surcharge for mileage driven within certain areas during periods of congestion.

The task force reached consensus to go forward with pre-session filing of LC 1105 for the 72<sup>nd</sup> Oregon Legislative Assembly.

#### **Pilot Test Program**

Whitty said, “On September 6th, the task force decided to require new vehicles to have a GPS device that would record mileage driven. The device would forward that mileage data via radio frequency to centrally located readers that would forward the data to a collection center. We have learned that operation of a collection center will be very expensive. The staff suggestion is for the task force, for purposes of testing, change the point of collection to the service station. Now, just because we test GPS, doesn't mean that is the technology that we will use ultimately.”

Kim said, “I agree with that. If you look at the scenarios and some of the technologies, what staff has done is take all of this information and boil it down to look at costs and need requirements and came up with some good options. As far as looking at all of the technologies available, the list in the report, our job was to boil that down already. We started with a much bigger list and looking at the requirements of the scenarios and the VMT based tax, we came up with several new things. By now, it is boiled down to just

two or three different technology possibilities for what would be good alternatives for testing.”

Whitty said, “If we want to do a good congestion pricing pilot, I advocate for the GPS device because we know we can do it relatively cheaply.”

Starr asked, “What exactly do we need to do today?”

Whitty answered, “Basically, shift to scenario two. For the pilot test, I want to be able to involve a fuel pump computer that receives data to make sure it works.”

Starr said, “That is for a long-term scenario, not necessarily a pilot. We are talking about two different things. We are talking about piloting and the long-term replacement of the fuels tax as a means for funding our transportation system. So the question is, looking at the big picture, earlier on we were at a decision point where we decided that a collection center was the best alternative. Based on the information we have been given today and on Jim's recommendation, is there a comfort level to change our previous decision [for preferring a collection center]?”

Charles said, “My feelings haven't changed that much. If there was a motion, I would probably abstain only because I don't feel ready to vote today. What do we actually have to decide today based on the statute or the [FHWA] VPPP agreement?”

Whitty said, “At some point I will have to go to the legislature to explain all of this, but I hoped to have a vision to get through the hearing. Questions will come up, but a firm vision does not have to be decided today.”

Cox asked, “Do we have to narrow things just to one? If we narrow these eight or ten down to two or three, is that a good step?”

Whitty said, “Functionally, collection can be done either at a collection center or at a service station. I see the cost of collection centers being too far out there [e.g. \$50 million annually]. With collection at service stations, the state cost can be reduced nearer to \$1 million dollars annually.

Torrey asked, “Are we in agreement that the collection fee center is something we don't want?”

Charles said, “Personally, I don't draw any conclusions. There is a huge amount of information here that I need to digest and I would like to go back and read the contract.”

Bell asked, “On the other hand, isn't there an agreement about the technology options? We have some companies that we could engage in the process of developing what they can do now to something they know they can do but will take some engineering to develop. We want to get rolling with that.”

Whitty replied, "We want to try one of the cheaper technologies that could work and we need to get a company that could design a device. If we want to use GPS though, we would still need an RFP to find the devices that fit the configuration."

Porter said, "From our standpoint, the only concern is that before a company makes a commitment and starts developing something, we have to give them more specific requirements and lead time to respond. We feel our research shows specifically two options that we think are feasible and can work. Maybe we should have spent more time going into this in more detail, but that is pretty well documented in the report. I think you will agree that those are the best two options to move forward with."

Watt asked, "What would you like approved. What are you asking us today? Are you looking for authority to move forward on something?"

Whitty answered, "Yes, I would like to test at least one of those devices involving the computer at the fuel pump. It doesn't really matter which one."

Watt said, "So you would like to test one or both of the devices that the gentleman from OSU brought to us. What other questions?"

Whitty replied, "That is enough. If I can get an answer to that one, we will be okay."

Watt said, "I am feeling better."

Torrey said, "I am ready to support that."

Charles asked, "If we do that, does that foreclose other options?"

Whitty replied, "No, if we want to go with a collection center application later, we can."

Watt said, "So this just moves us another step forward. It doesn't limit our options in the future but gets us to a place where we are actually grasping something to test, right?"

Porter said, "It probably allows us to learn more and find out whether we are leaving something out that we haven't considered. I don't think it closes any options."

Charles said, "That is my primary concern. I am all in favor of learning more and moving the discussion forward. If this moves something forward and still leaves other options open to be discussed, then I am okay with that."

Kim said, "If you separate this whole technology thing into two components, there is getting the data and collecting the fee, which right now looks like the [fuel] pump is the most economical scenario. Then, there is getting the actual data [from] the vehicle. One of the most attractive things about this is that it is kind of modular. You can separate [the components] so if you [collect at] the fuel pump, then you can apply a lot of different technologies to get at the data on the vehicle. [This] doesn't exclude things and allows

adaptation. In ten years, if something better comes out, as long as it can collect the data, we can stick that on the vehicle and use it within the other infrastructure.”

### **Cost of the Pilot Test Program**

Svadlenak said, “The one way that this is limited is that we probably only have enough money to test one of these data collection devices in the short run. In the longer run you can go out and ask for more money.”

Verger asked, “Is this the only pilot that exhausts the grant?” Svadlenak said, “Yes.”

Starr asked, “Is there any opportunity for one of the companies who would create this technology to help provide a grant or participate and partner with us?”

Kim replied, “Would they voluntarily throw in equipment to get this thing going?”

Bell said, “Past experience would suggest yes. There is often a willingness to do that.”

Charles said, “We do not have unlimited resources in a world of limited resources. If doing this means that we don't have money for any other pilot, I am not sure what I am giving up here to say, “Yes,” only because I am not versed in this daily.”

Cox said, “May I just say, my headquarters is very interested in this. They do have money they are trying to earmark. The money is still there. I am not guaranteeing you can get it, but I wouldn't let the lack of money be a consideration right now.”

Charles said, “That changes the nature of the discussion.”

Whitty said, “I suggest the motion should be that we test the collection at the fuel pump with either or both of those two devices, the GPS or the enhanced odometer.”

The suggested motion was made and it carried.

**Potential New Revenue Source: Safety Violation Fee.** Troy Costales, ODOT Road Safety Manager, presented the possibility of a safety fee for safety violations.

The task force decided not to proceed with further examination of a safety violation fee.

**Potential New Revenue Source: Indexing Fuel Tax for Fuel Efficiency.** Task Force Administrator James M. Whitty presented the possibility of indexing the fuel tax by the average increase in fuel efficiency.

Charles asked, “You would do it for the [statewide] fleet and have all of the vehicles averaged together?”

Whitty replied, "Yes. If motorists shift into other fuels, we could still go with this because Oregon has the use fuels tax covering everything with a btu."

Watt said, "I can sit here and imagine in the caucus when this is proposed. The more fuel efficient the cars are, the more gas tax they are going to pay."

Whitty said, "If you go in and buy 15 gallons times whatever the rate is, when the rate goes up you pay 15 gallons times that new rate. If you only go in and buy 5 gallons, it is the same thing. You don't pay as much in tax because you don't buy as much gas."

Starr said, "The gas tax would increase based on the overall miles per gallon of the entire fleet in the state so as technology improves and the gas mileage improved over time the gas tax rate would be pegged and indexed to that as opposed to indexed to inflation."

Charles said, "Of course, we don't really know if the fleet average would go up."

Watt said, "There has been a reluctance on the part of the legislature to pass anything with indexing involved. I don't think much of the idea."

George said, "The caucus discussion would be, the tax rate could grow without limit and that is where it would hit the wall." I think this has no chance. I could be wrong ... but to grow taxes without a limit ..."

Watt said, "If you had a way perhaps to say that this is going to be dedicated to maintenance and preservation ... To go out and just ask people to increase what they pay without giving them any kind of a guarantee on how is going to be spent, I just don't think it would work."

Charles said, "As an intellectual matter, I am not particularly opposed. You could say it is a five year thing and the indexing stops then. I don't really have a problem with the idea as a short term bridge to the bigger vision."

Bell said, "That would be my view too."

Rufolo said, "On a practical basis, with fleet turnover, even if the new vehicles use no fuel, you are looking at most at a 2% per year increase in the gasoline tax, and that is assuming the extreme."

### **Evaluation Criteria for Pilot Test Program**

Whitty said, "The enabling statute directs the Road User fee Task Force to recommend to ODOT the criteria that should be used evaluate the pilot test program."

Whitty presented the staff recommended evaluation criteria. The task force added criteria to the staff recommendation and reached consensus on the evaluation criteria for the pilot test program. *[See Exhibit B for the adopted Evaluation Criteria.]*

**Task Force 2003 Meeting Dates**

The task force agreed to the following meeting dates for 2003 – February 14th, May 9th, September 12th and November 21<sup>st</sup>. The meetings most likely will be held in Salem during the legislative session.

Whitty said, “We have put the public hearings on hold for the time being.’

Starr said, “Once we have the pilot going, we will have more of a reason to hold those public hearings.”

Public Testimony was taken from an unknown member of the public who expressed concern that vehicles would be monitored.