

**Introductions**

Chair Tom Zelenka called the meeting to order at 1:35 p.m. Self-introductions were made by meeting attendees.

**April 26, 2005 Meeting Notes**

The meeting notes from the April 26, 2005 meeting were included in the OFAC meeting materials. Chair Zelenka advised there is no requirement in the By-laws for the Committee to formally adopt the minutes. He requested the Committee let staff know if any errors were found in the minutes.

**Draft 2006-2009 State Transportation Improvement Program (STIP)**

Craig Greenleaf provided the Committee with a PowerPoint presentation outlining the 2006-2009 draft STIP, particularly freight projects and eligibility criteria & prioritization factors established by the STIP Stakeholder Committee and approved by Oregon Transportation Commission (OTC) in November, 2003 for selection of modernization, bridge, and preservation projects for 2008 and 2009. The OTC will review the draft 2006-2009 STIP for approval at their August 17, 2005 meeting. Once approved it will be forwarded to FHWA/FTA for their final approval (expected in November 2005).

Mr. Greenleaf discussed the formula used to determine the STIP financial base: Federal revenue is calculated at 87% of FHWA authorized dollars (\$848.7M); Oregon revenue estimates for 2006-2009 is \$414.4M; and other revenue is estimated at \$4M. Total estimated revenue available for the 2006-2009 STIP is \$1.267B. Chair Zelenka requested clarification of the pie-chart depicting the percentages for each project type. Mr. Greenleaf indicated the formulas had not changed very much from previous years; however, there was additional funding through OTIA I, II, and III and that the bridge projects were on that funding "bubble." A discussion ensued regarding modernization regional distribution factors and other funding bubbles. Randy Pape' requested staff provide the Committee with information from the two previous STIPs for comparison.

Project selection and scoping was conducted in early 2004. Site visits with technical staff were made to estimate project costs and needs. Projects were adjusted based on outcome of scoping and comments from ACTs, ODOT Regions, and public meetings. Mr. Greenleaf explained there were three anticipated outcomes from this STIP: 1) Pavement conditions projected to be 85% Fair or Better (FOB) by end of 2009, 2) bridge conditions on the NHS, due to structural or clearance deficiencies, will decline slightly to 66 percent FOB by the end of 2009, and 3) fatalities are targeted to be reduced to 0.99 per million Vehicle Miles Traveled by 2010.

Lori Sundstrom stated there was about \$512M of freight projects in the last STIP. The STIP is predominantly, but not exclusively, for highway. Of the three project tiers, all Tier I, one-half Tier II, and 15 of 26 Tier III projects were funded. The FAC input to the OTC had an enormous influence on the prior STIP outcomes and the OTC needs FAC's help in keeping the project list updated. The OTC needs FAC to look at long term goals and prioritize significant freight mobility projects. Lori also advised staff would be regularly reporting project status to the Committee. The OTC is trying to send a message that projects need to be designed and on-the-shelf. Chair Zelenka added that a good place to start would be with the unfunded Tier I, II, and III projects. Bridget Wieghart advised the FAC needs to make sure the ACTs and MPOs have projects in their plans that may not be funded now but are planned for future completion.

**Status – Federal Reauthorization**

Lori Sundstrom reported Congressman DeFazio has become a very effective advocate on behalf of Oregon: there has been a 30 percent increase in the level of funding over the life of the reauthorization bill. Oregon is now a donee (vs. donor) state: for each \$.99 spent, the state gets \$1.02 back. Earmarks are becoming more common and Lori advised the Committee that media reports are often incomplete and to be cautious in interpretation of news reports. Lori advised there are two new earmark programs in the reauthorization: 1) Freight Intermodal Distribution Grant Program and 2) Private Activity Bonds (exempt from Federal income tax). Lori stated ODOT would be in an adaptive mode to determine how the funds will be spent and will adhere to the usual public process. Overall, ODOT is very pleased with the bill.

**Status – Federal Reauthorization** - (Continued)

Vice Chair Lahsene stated there are large earmarks for one to five bridge projects: \$160M plus \$40M for other projects. How will this be factored back into the STIP process and will it free up any of the OTIA dollars? Lori advised it does not replace, but complements, the I-5 bridge projects. The OTC could determine to use some of the funds for the I-5 crossing. Lori also advised there was an earmark for a Federal Cooperative Freight Research Program to determine projects of national/regional significance.

Chair Zelenka stated that Washington State had requested \$750,000 for the West Coast Corridor Coalition. He also suggested that the I-5/I-84 Interchange Study could begin now that the I-405 Loop Study was near completion.

### **2005 Freight Related Legislation - Connect Oregon (SB71)**

The legislature was slated to vote on SB71 concurrent with the FAC meeting. A review ensued of the various provisions discussed throughout the Legislative session. Randy Pape' reported that all final project decisions will be made by the OTC. Lori Sundstrom advised implementation of Connect Oregon would be the focus of the next few FAC meetings should it pass. Randy Pape' advised that input from the Aviation Board and other committees could go through the FAC and the OTC would make the final project funding decisions. Jerry Grossnickle asked Pape' if he anticipated the Connect Oregon bill to be the first of many (non-highway funding bills). Lori quoted Bruce Warner by stating, "Success begets success."

The highlight of the discussion came later, when Kelly Taylor, ODOT Rail Division, and Dave Barrows arrived with news that SB71 had just passed and was awaiting the Governor's signature. Kelly advised SB71 includes all modes, including Class I railroads (thanks to the elimination of the \$40M revenue cap on applicants). Funds will be distributed along five newly designated regions and county lines with a minimum designation of \$15M per region. Priority will be given to multi-modal projects. The program will include both loans and grants with a required 20 percent recipient match.

### **Hwy. 140 Study**

Steve Kale reported to the Committee that a previous OR 140 study was completed in 2001; however, there was criticism of the study as some interests did not believe ODOT contacted those entities and local shippers that would use OR 140 if improvements were made by ODOT. As a result, a new study will be completed to determine the benefits, cost, and other considerations associated with improving the highway to allow tractor-trailer combinations over 65 feet in length. Currently there are restrictions on over half of the segment between Lakeview and the Nevada border prohibiting tractor-trailer combinations over 60 feet. Mr. Kale gave a presentation explaining the numerous tasks and deliverables of the study. A draft Scope of Work was provided in the Committee agenda packet and members were offered an opportunity to provide input. Mr. Kale informed the Committee the most significant outcome from the study will be Task 3, whose deliverables include: 1) a technical memorandum describing existing and possible future commodity flows in central and southern Oregon, and 2) a technical memorandum describing the recommended survey approach, sampling procedures, results of survey, and methods for analyzing changes in travel patterns. Vice Chair Lahsene noted that if the study can quantify benefit and cost of improvements, it can be used as a model for future studies.

Multiple members offered suggestions on data sources and methodology to contribute to the study. Gary Roth, Department of Agriculture, discussed the economic viability of OR 140 and that the alternative for truckers was a 200 mile out-of-route trip. He suggested some interim solutions to current narrow passage and curves such as safety and awareness signs, flashing lights, and slower speeds, which will require some research to determine their applicability.

Steve also clarified that, in place of a formal cost-benefit analysis, which is extremely difficult to accomplish (especially on rural highways), a more realistic analysis of economic and other considerations would be conducted. Steve added completion of the study is anticipated at the end of this fiscal year.

### **Subcommittee Appointments**

Chair Zelenka announced subcommittee appointments as follows: Bob Russell will chair the Membership and Nominations Subcommittee; Susie Lahsene will chair the Policy Subcommittee; and Martin Callery will chair the Projects Subcommittee. Chair Zelenka asked the Subcommittee chairs to appoint vice chairs, with a focus on geographic and/or modal diversity where possible. He then urged Committee members to let the Subcommittee

Chairs know if they are interested in being appointed to a specific Subcommittee. Martin Callery advised that continuing to provide outreach to ACTs is very important, especially since the new Bylaws eliminated the Outreach Subcommittee.

### **Solicitation for Members**

Chair Zelenka advised each person currently attending OFAC meetings will receive a letter of invitation and application to continue serving on OFAC. The application should be returned by September 9, 2005. New members will be appointed at the discretion of the ODOT Director. Terms will be staggered to provide Committee cohesiveness and stability. The OFAC will be comprised of 32 appointed voting members from private industry and non-voting members will be "associate" members primarily representing public agencies. Chair Zelenka clarified that a quorum will be a simple majority of those members in attendance at a meeting. Randy Pape' advised the Committee it now had an opportunity to get great new regular and associate members who will participate and have a voice in how future projects and initiatives are determined. He added that geographic representation is very important.

### **Round Table/Future Agendas**

- Chair Zelenka reviewed upcoming items from the September meeting agenda. A discussion ensued regarding the Linnton facility, including a suggestion by Mike Burton that there are other similar facilities in the region and that a representative from the Oregon Department of Energy could be invited to speak on the issue as well. There will also be a discussion of the Transportation Planning Rule (TPR) and the Freight Route Analysis Project (FRAP) at the next meeting, both of which may have been acted upon/approved by the OTC by then.
- **Commodity Flow** – Susie Lahsene advised the Port of Portland has prepared a brief analysis, including three PowerPoint slides, explaining the difference between the outcome of the Port's and the statewide Commodity Flow Study. She will make those available to the Committee for presentation at the October meeting.
- **Freight Distribution Centers** – Gary Cardwell suggested a future presentation on the issue that freight industry planners could be more efficient and smarter about citing warehousing centers by tying transportation and land use together for international freight and commerce centers. Gary stated that 85% of imported products are transloaded in the Portland metro area and driven out on I-84. Ideally warehousing would be located outside the Portland metro area on or near I-84 rather than transloaded in the Portland metro area. Mike Burton and Susie Lahsene suggested the Committee also hear from a site selection consultant to get another perspective. Gary Cardwell advised that understanding the issues at Lacey, WA where additional warehousing centers have been prohibited would help clarify planning issues, though the problem needs to be analyzed with an Oregon specific slant. Mike Burton, Gary Cardwell, and Lori Sunderland will form an ad hoc committee and report back to the Committee.
- **Short Sea Shipping in Bulk Commodities** – Lyn McClelland reported providers are looking at new ways to deal with congestion by shifting traffic from one mode to another. This will free up the burden from one mode and distribute traffic to others. One method of accomplishing this is by short sea shipping along short haul coastal areas. Jerry Grossnickle said that Gary's freight distribution center issue and Lynn's short sea shipping issue dovetail. Gary Roth stated he might be able to help with some commodity flow information through their Centredex survey. Chair Zelenka asked staff to follow up with Lynn on this issue.
- **OFAC Workshops** - Lori Sundstrom advised it would be appropriate to discuss some of the round table topics at separate workshops.

### **Wrap Up – Future Agendas**

Jerry Grossnickle asked to hear from Julie Rodwell about her goals regarding the FAC and ODOT. Julie indicated her intent to develop her section's detailed mission/program by year-end; to include education/ outreach components in all initiatives; and to be as proactive and supportive as possible with the FAC. Lori added that one of Julie's biggest ODOT responsibilities will be to integrate freight mobility issues as appropriate into the current ODOT infrastructure, as well as liaison with other applicable state agencies. Craig Greenleaf added that Connect Oregon (SB 71) will be a significant initiative for Julie and her staff in the coming months.

Chair Zelenka announced future OFAC meetings would be held the first Wednesday of the month through December, 2005 and then quarterly in 2006. Additional meetings would be scheduled if necessary.

Chair Zelenka adjourned the meeting at 4:35 p.m.

**Meeting Attendees**  
**August 3, 2005**

**FAC Members**

D.E. Bridges  
Martin Callery  
Gary Cardwell  
Jerry Grossnickle  
Andrew Johnsen  
Susie Lahsene  
Lyn McClelland  
Randy Pape  
Larry Phipps  
Gary Roth  
Honorable Alan Unger  
Bridget Wieghart  
Tom Zelenka

Oregon Forest Products Transportation Association  
International Port of Coos Bay  
Northwest Container Service, Inc.  
Bernert Barge Lines  
BNSF Railway Company  
Port of Portland  
Maritime Administration  
Oregon Transportation Commission  
Portland & Western Railroad  
Oregon Department of Agriculture  
League of Oregon Cities  
Metro  
The Schnitzer Group

**ODOT**

Teddie Baker  
Cary Goodman  
Karen Green  
Craig Greenleaf  
Sherry Gustafson  
Steve Kale  
Julie Rodwell  
Lori Sundstrom

Freight Mobility Section  
Freight Mobility Section  
Freight Mobility Section  
Transportation Development Division  
Freight Mobility Section  
Freight Mobility Section  
Freight Mobility Section  
Director's Office

**Other Attendees**

Michael Burton

Oregon Economic and Community Development Department