

## OREGON FREIGHT ADVISORY COMMITTEE MEETING NOTES

September 7, 2005, 1:30 p.m. – 4:30 p.m.  
Local Government Center, 1<sup>st</sup> Floor Large Conference Room  
1202 Court Street NE, Salem

### Introductions

Chair Tom Zelenka called the meeting to order at 1:40 p.m. Meeting attendees introduced themselves.

### August 3, 2005 Meeting Notes & Follow-Up

Meeting materials contained the notes from the August 3, 2005 meeting, as well as documentation of previous member and guest requests and their status.

### Linnton Energy Cluster

Phillip Grillo, Miller Nash LLP, provided an overview of recent Linnton planning efforts, the Energy Cluster and the Working Waterfront Coalition. When the Linnton Plywood Mill closed in 2001, the Linnton Neighborhood Association developed a mixed residential, retail and small commercial "Linnton Village" proposal for the site. Miller Nash was retained by BP and Kinder Morgan Energy to advocate for continuing the Energy Cluster operations. Mr. Grillo reminded the group there are no refineries in Oregon, so the region and state depend on the Energy Cluster for over 90% of total petroleum needs. It would be virtually impossible for the Energy Cluster to expand or relocate anywhere else. Significant safety and security concerns preclude residential development on this site. The Working Waterfront Coalition of businesses was also formed to testify to the significant potential negative impacts of Linnton Village on the larger business and industrial community.

The City of Portland has performed studies confirming the importance of the Energy Cluster, yet the City recently approved limited residential development on the old Mill site. A draft OFAC letter to the Oregon Transportation Commission (OTC), supporting the Portland Freight Committee's (PFC) opposition to Linnton Village, was presented for review. After discussion regarding statewide implications and how to proceed, the OFAC agreed to submit a letter to the OTC supporting PFC's concerns about the Linnton Village proposal.

**Follow-up:** This letter was subsequently revised and sent.

### ODOT Research Program

Alan Kirk, ODOT Research Analyst, provided an overview of the research project selection process, along with lists of previous freight-related and other projects. ODOT annually solicits research ideas internally and externally: any party can submit research ideas for consideration. Each idea must answer three questions: how does it align with Research Advisory Committee (RAC) priorities; does ODOT advocate the idea; and is it research? A research idea needs to either represent development of new technology, have an outcome of interest and/or utility to ODOT, or yield information worthy of publication in industry sources. Research ideas are defined individually, often depending on the availability of current data. This year's process is beginning and includes eight Expert Task Groups (ETGs), two of which are freight related: the Planning & Economic Analysis and the Multimodal groups. Of the approximately 100 ideas submitted annually, each ETG submits 2 projects to the Research Advisory Committee, which must ultimately choose about six projects from the sixteen referred by the ETGs.

Deleted: .

Regarding potential research ideas, Chair Zelenka mentioned intercept testing and surveying done for the Portland Freight Master Plan, and Commissioner Papé asked about forecasting future traffic demands.

**Follow-up:** Contact Julie if interested in becoming involved.

### **Freight-Related STIP Project Status**

Steve Kale called attention to the list of freight-related projects in pre- 2004-07 State Transportation Improvement Programs in the agenda packet, which had been requested by OFAC. He then outlined freight projects in the 2004-2007 STIP, which the OFAC provided as input to the STIP development process and subsequently included in their 2003 Legislative Report. The list now includes additional Metro TIP projects not in the draft STIP, and the large majority of projects are Modernization. According to ODOT's Quarterly Status Reports, 30% of the projects are under construction and another 30% are in the category, "project committed". For approximately 20% of the projects, status was unavailable.

Lori Sundstrom indicated that the status of freight-related projects would be an ongoing agenda item, and asked for feedback on the report. A series of questions prompted Mr. Kale to distinguish between the project selection processes for the 2004-2007 vs. draft 2006-2009 STIPs. Chair Zelenka asked for an estimate on when all projects would be completed, as well as an update on the OTIA III bridge projects. Commissioner Papé suggested using the one-page summary routinely provided to the OTC. Gary Cardwell asked for an update on rail spur projects. The requested information will be provided at a future meeting.

**Follow-Up:** Report on State Bridge Projects (October 2005); next STIP update (January 2006); Industrial Spur update (to be scheduled).

### **ConnectOregon**

Ms. Sundstrom began the topic by introducing Bob Hidley, Oregon Department of Aviation (ODA) Director, indicating that ODOT and ODA would be partners in the ConnectOregon program. She then indicated that, in addition to an ODOT Executive Steering Committee, she, John Jackley and Julie Rodwell would be point people and were beginning a statewide outreach initiative this week. Ms. Rodwell then provided an update on the final bill (SB71), the implementation process and issues identified to date. Concurrent temporary and permanent rule processes are already underway, with the temporary rule targeted for November 2005 OTC approval. The six project criteria defined in the bill will be the focus of the project application. ODOT and OECDD economists will be consulted, and inherent differences among modes will be addressed. Infrastructure-related projects will be the primary focus, given the bill's "construction ready" criterion. Chair Zelenka and others pointed out the potential difficulty in this due to the seemingly broader definition in the bill.

Chair Zelenka advised ODOT staff to be diligent in promoting equality in project selection, though this will be challenging with multiple, non-highway mode projects. Commissioner Papé and others reminded the group that program development efforts today will instill legislative confidence and could ensure additional support (i.e. funding) in the future. Ms. Sundstrom assured the group that a comprehensive initial screening process would be utilized, and Chair Zelenka recalled the bridge review process where ODOT staff contacted applicants to assist in project qualification prior to rejection of incomplete applications.

Deleted: .

Ms. Sundstrom referenced the extensive outreach to stakeholders, cautioning that there is much to be accomplished under a tight timeline. Groups with ongoing invaluable input such as ACTs will need to operate under an accelerated process. Project submitters will be expected to obtain support from their municipalities, advisory groups, etc.

Jerry Grossnickle suggested PNWA be added as a stakeholder group. There were questions surrounding OFAC's role in project selection, to which Ms. Sundstrom assured the group that OFAC will have a key role and that the process is still under development.

At the end of the meeting, Chair Zelenka asked for clarification regarding outreach and project selection. Ms. Sundstrom confirmed there will be point people for Aviation and Transit, and suggested the Oregon Rail User League (ORULE) may serve as an advisory committee for selection of rail projects. A few additional suggestions were made for outreach recipients.

**Follow-up:** ConnectOregon update and discussion (planned for every OFAC meeting).

### **Freight Route Designations**

Craig Greenleaf gave an overview of the Freight Route Analysis Project (FRAP) and associated Oregon Highway Plan (OHP) amendments approved at the August OTC meeting. Over 1,200 miles were added to the Statewide Highway Freight System (as designated in the OHP), which now includes over 80% of the National Highway System (NHS) in Oregon. This initiative designates 317 miles of non-NHS roads as freight routes. Necessary amendments to the Oregon Highway Plan (OHP) are already underway, including revisions to the highway segment designation process, i.e. Special Transportation Areas (STA) and Urban Business Areas (UBA). Management plan obligations will be lifted from new segment designations and, while management plans are still required for existing designations, this may be accomplished under a longer planning process and timeline.

Deleted: n

Chair Zelenka asked if ODOT ever designated non-road facilities as freight routes. Mr. Greenleaf indicated that intermodal connectors are included in the freight system. Mayor Unger asked for clarification on expressways, and Mr. Greenleaf said that expressways may or may not be freight routes.

**Follow-up:** None immediate.

### **Transportation Planning Rule (TPR) Freight Implications**

Mr. Greenleaf gave an overview of the TPR amendment process currently underway. He noted that concerns about the Peace Health relocation in Springfield helped provide the impetus for TPR revisions. A joint ODOT/DLCD subcommittee has been formed to consider the amendments, targeted for a November 2005 hearing. Some local governments are concerned about the additional obligations that may be placed on them. There has also been some pushback regarding the recently approved additional freight routes. Gary Cardwell thanked ODOT for including him on the Technical Advisory Committee (TAC), and said that he is facilitating the consideration of multimodal freight issues. Ms. Sundstrom added that the TAC has done some valuable work regarding interchanges.

**Follow-up:** None

### **SAFETEA-LU Implications**

Julie Rodwell reported that the more than 800-page Federal transportation bill is still being analyzed by ODOT staff for freight and other implications. In general, Oregon did very well: for every dollar in (gas

Deleted: .

tax) revenue, we will recoup over a dollar in funding for over \$2.7B total, a 30% increase. She noted that Oregon will receive \$160M for the repair, replacement and improvement of I-5 bridges, in addition to funds for seismic retrofit of certain bridges. A list was provided of OFAC Tier 1, 2 & 3 projects that will receive just under \$100M total in the bill. Oregon was one of six states to receive a \$5M earmark for a short-haul freight intermodal pilot project. Nick Fortey confirmed that the Federal Highway Administration (FHWA) is beginning to write the rules for this program. Oregon will also receive \$17M annually for a Highway Safety Improvement Program, including reducing hazards at rail-highway crossings.

The Rail Rehabilitation & Infrastructure Fund (RRIF) received significantly increased funding, which Ms. Rodwell found unusual considering how few funds were distributed in the past. Mr. Cardwell and Vice Chair Susie Lahsene confirmed that in the past, RRIF interest rates were unfavorable, there were too many strings attached, and program (human) resources were insufficient.

There is also SAFETEA-LU funding for truck parking, which will be focused on overnight rest areas and idle reduction programs for commercial trucks. Gregg Dal Ponte, ODOT Motor Carrier Transportation Division interjected that, with the revised focus on overnight accommodations, parking availability in Oregon may no longer be adequate and we could benefit from this.

Portland State University (PSU) will be given \$16M for research, and Mr. Greenleaf clarified the intent is a University Transportation Center for Oregon's major universities. This represents a major additional funding source, though there are match requirements. A mandate for Freight Coordinators in every state was dropped in the final bill.

Jerry Grossnickle noted the outstanding efforts of Congressman DeFazio in advocating for Oregon's increased funding, and the group agreed to send a letter of appreciation on behalf of the OFAC.

**Follow-up:** Draft letter of appreciation to Congressional delegation for Chair Zelenka's signature; meeting to discuss Intermodal Earmarked project.

### **Future Agendas**

Chair Zelenka called attention to the future agenda calendar in their packets, and asked members to communicate any new potential agenda items to Julie. He indicated the October meeting would be in Portland. Craig Greenleaf suggested an Oregon Transportation Plan (OTP) update at the December meeting, since the public review period will be closing by year-end.

**Follow-up:** Revise future agendas calendar.

### **Future Events**

The following events were announced to the group, and the announcers will forward detailed information to Ms. Rodwell for follow-up member distribution:

- Chair Zelenka reminded the group about the upcoming West Coast Corridor Coalition (WCCC) meeting on October 6<sup>th</sup> & 7<sup>th</sup>.
- A Columbia River Crossing meeting was to occur in the second week of September.
- Susie Lahsene announced the October 12<sup>th</sup> Port of Portland-sponsored lunch featuring Paul Bingham, entitled "Global Insight, World Economic Trends and Their Implications for Oregon."

Deleted: .

- Jonathan Schleuter, Westside Economic Alliance, will provide information to Julie regarding an event later in September regarding improvements on OR 217.

**Follow-up:** Staff e-mail with details of these events (done 9/20).

**Other Business**

Chair Zelenka asked the group if they had heard of any funding or projects being put on hold due to the effects of Katrina. Vice Chair Lahsene had heard that funding not currently obligated may be reviewed, and she expects Paul Bingham's October 12<sup>th</sup> presentation to address this. Nick Fortey cited the emergency relief funding available and noted the magnitude of Katrina's impact is unprecedented. Jim Nave, Union Pacific RR and Paul Zalec, Portland & Western confirmed routing of donations through FEMA. Both organizations are also matching employee donations.

Julie Rodwell noted that she would be working with her counterparts in California and Washington to assess the freight and economic impacts of Katrina to West Coast states. FMS initial research uncovered the Port of Southern Louisiana's status as the largest U.S. exporter, all area ports without power, airports under water, etc. Mike Burton noted that port infrastructure damage was fairly minimal: the challenge is restoring operations to resume multi-directional traffic flow. Julie asked for feedback over the next couple of weeks regarding member interest in additional information on impacts here.

**Follow-up:** Staff to monitor reports about Katrina and evaluate appropriate level of effort on analyzing effects for west coast states, in consultation with CA and WA counterparts.

**Adjournment**

Chair Zelenka adjourned the meeting at 4:25 p.m.

Deleted: .

**Oregon Freight Advisory Committee  
Meeting Attendees  
September 7, 2005**

**FAC Members**

D.E. Bridges  
Gary Cardwell  
Nick Fortey  
Jerry Grossnickle  
Susie Lahsene  
Jim Nave  
Mike Nolan  
Randy Papé  
Jonathan Schleuter  
Honorable Alan Unger  
Paul Zalec  
Tom Zelenka

Oregon Forest Products Transportation Association  
Northwest Container Services, Inc.  
Federal Highway Administration (FHWA)  
Bernert Barge Lines  
Port of Portland  
Union Pacific RR  
Federal Motor Carrier Safety Administration (FMCSA)  
Oregon Transportation Commission  
Westside Economic Alliance  
League of Oregon Cities/City of Redmond  
Portland & Western Railroad  
Schnitzer Steel Industries, Inc.

**ODOT**

Gregg Dal Ponte  
Cary Goodman  
Karen Green  
Craig Greenleaf  
Steve Kale  
Alan Kirk  
Julie Rodwell  
Lori Sundstrom  
Vince Van Der Hyde

Motor Carrier Transportation Division  
Freight Mobility Section  
Freight Mobility Section  
Transportation Development Division  
Freight Mobility Section  
Research Unit  
Freight Mobility Section  
Director's Office  
Research Unit

**Other Attendees**

Michael Burton  
Mark Ford  
Phillip Grillo  
Bob Hidley  
John Kratochvil  
Linda Modrell  
Tracy Rutten  
Tom Schwetz  
Gary Whitney  
Scott Wilson

Oregon Economic and Community Development Department  
HDR Engineering  
Miller Nash LLP  
Oregon Department of Aviation  
Oregon Department of Agriculture  
Benton County Commissioner  
Special Districts Association  
Lane Council of Governments  
Oregon Economic and Community Development Department  
Cascades West Council of Governments

Deleted: .