

**OREGON FREIGHT ADVISORY COMMITTEE (OFAC)  
MEETING NOTES**

March 5, 2008 1:30 pm – 4:30 pm  
Local Government Center - Salem, OR

**1. Call to Order/Introductions .....Susie Lahsene, Vice Chair**

Susie Lahsene called the meeting to order at 1:30 pm and self-introductions were made by OFAC members and guests.

**2. Review/Approve October 17, 2007 Meeting Notes & Follow-up .....Susie Lahsene, Vice Chair**

The October 17, 2007 meeting notes were unanimously accepted.

**3. Freight Plan .....Jerri Bohard, TDD Administrator**

Jerri Bohard provided an update of the freight planning effort to OFAC. A Freight Plan Steering Committee has been formed and has had conversations with Director Matt Garrett. Ms. Bohard indicated that due, in part, to the changes in OTC membership and to the resignation of the ODOT Freight Mobility Section Manager; the meetings of the Freight Steering Committee would be placed on hold until approximately a year from now. The absence of the Freight Steering Committee presents an opportunity for a greater role by OFAC. ODOT will seek input from OFAC in identifying the work orders that will contribute to the development of the plan and in technical review of consultant deliverables.

Michael Fischer of Cambridge Systematics presented a summary of the framework for the freight planning effort. Cambridge has developed a conceptual framework for the Freight Topic Plan and has identified both general (longer-term) and specific (shorter-term) Work Orders that will be required for the planning effort. Mr. Fischer's recommendations include an update of Oregon's Commodity Flow data, a cluster analysis of the transportation/logistics industry, an analysis of global supply chains, and analysis of the physical freight infrastructure, and analysis of freight traffic flows. Mr. Fischer also recommends early discussions with stakeholders regarding the development of working definitions what constitutes a "critical" freight project.

OFAC discussed the freight plan framework and raised several issues. The Committee expressed concern the final product would not identify the current freight projects and also the need for a more detailed description of what the adopted freight plan will look like. Staff identified that to move forward on project identification, there is a need to develop strategic criteria. OFAC asked for clarification of what near term and long-term work orders means. Near term would be within 6 to 9 months of the completion of the second freight plan contract, and, long term is considered 18 months to 2 years.

The nature of Transportation funding was discussed. The concern was voiced that although freight projects are multi-modal, state funding is often siloed by mode of transportation. Cambridge Systematics prepared a paper for the Oregon Transportation Commission (OTC) on multi-modal efforts. This paper is available to OFAC members and will be sent out via email by Freight mobility staff.

The committee discussed the status of the freight projects list developed approximately 5 years ago under the OTIA program and whether it has been kept up-to-date. Planning processes like the Statewide Transportation Improvement Program (STIP) need to have informed and quantifiable input during project selection. The processes developed by freight planning effort can be integrated into STIP development.

Discussion concluded with the identification that while a list of freight projects is helpful, clear quantifiable project selection criteria will help freight projects compete for funds against other interests (i.e. transit, bike/ped, etc ...).

The Committee concluded with a discussion of what is next. Ms. Lahsene as chair of this meeting stated that this planning effort should result in some awareness of the economic importance of freight to Oregon by the 2009 Legislature. The joint Projects and Policy subcommittee will discuss the prioritization of freight plan Work Orders and identify critical planning deadlines at the March 19 subcommittee meeting. The joint Projects and Policy subcommittee will communicate these priorities and dates to Cambridge Systematics.

**4. West Coast Container Capacity**

Barry Horowitz, General Manager of Container Marketing with Port of Portland, gave an overview of container traffic and port capacity on the west coast and throughout the world. Port of Portland is the fastest growing port on the west coast, including Canada and Mexico. The world containership fleet is growing larger and depth constraints in the Columbia River are a concern for Portland; however, when the channel dredging project is complete, 90% of ships will be able to access the port. Large port improvements are planned at many locations including the Port of Coos Bay; however, Mr. Horowitz indicated the recent slowdown in overall west coast container trade may slow development interest.

**5. I-5 Corridor between I-84 and I-405 Study**

Jason Tell, ODOT's Region 1 Manager, provided a history of the planning for the I-5 corridor in the Rose Quarter and then introduced Rick Kuehn and Tim Newman of CM2Hill, who presented information regarding a one-week brainstorming effort during summer 2007 to take a fresh look at issues on I-5 near the Rose Quarter between I-84 and I-405. Major stakeholders in the Portland area were interviewed and a panel of seven experts from around the country discussed roadway, operational, urban design and land use in relation to I-84 & I-5 to determine if there are possible solutions and if so, what would be the next steps. Broad public involvement was not included in the study; however, a series of alternatives was identified. Next steps could be refinement of alternatives and conceptual development with public input.

OFAC discussed how the City and Port were reacting to the proposed alternatives and how much local support the planning effort might expect. Portland-DOT (P DOT) is focused on improving freight mobility and is an active partner with ODOT on this project. The presentation OFAC received is being presented to the City of Portland Freight Committee on March 6.

OFAC supports this work and was impressed with the quick results of the study. When questioned about funding for further development of the project, Mr. Tell indicated that funding was not set and that funds for this investment may be identified in the 2009 legislative session.

**6. Hot Topics – Member Round Robin.....All**

Brock Nelson of Union Pacific RR reported crews are working 24/7 to clear a January 19, 2008 mud slide blocking a short line.

Handout: U.S. Waterway System -- Transportation Facts. In just the last month NW Passage has added two major international companies that have placed orders for ice breaking ships. These ships are built in Norway and Korea. Churchill is already increasing tremendously and taking away traffic from Great Lakes.

7. **Rail Multi-Modal Study** .....**Kelly Taylor, ODOT Rail Administrator**

Kelly Taylor, ODOT Rail Division Administrator, provided a summary of the statewide freight and passenger rail system study. The study will include an inventory and assessment of the existing rail system, capacity demand and constraints, and identification of potential funding sources and strategies. The Rail Division and the Freight Mobility Section will coordinate Work Order assignments to avoid duplicate efforts as some of the needs are the same.

The first phase of the rail study will be an analysis of the state of the physical rail infrastructure including tunnels and bridges. Additional analysis will focus on rail shippers' business models, public policy regarding investments, project prioritization, and project financing.

OFAC asked if the study would identify potential lines to abandon. Ms. Taylor indicated that abandonment is the responsibility of the Federal Surface Transportation Board and, while ODOT may be a part of the process, this is not the focus of the rail study.

OFAC also discussed how to ensure service to rail shippers. Agriculture will be generating a demand for more rail cars; however, the agriculture industry is not getting service it needs. It will be a problem getting wheat from the Willamette Valley and Eastern Oregon to Portland to export. Ms. Taylor indicated that since rail deregulation, rates, service, availability of cars remain a federal issue.

8. **ConnectOregon II Project Update**.....**Michael Bufalino, Senior Planner, ODOT Freight Mobility**

Michael Bufalino introduced results of the combined Projects and Policy Subcommittee's efforts to prioritize *ConnectOregon II* (CO2) projects. The matrix represented all 40 freight-related projects prioritized 1 through 36 with a recommendation that projects with a priority rating between 25 and 36 not receive funding. The subcommittee only reviewed freight-related projects and focused on projects that could best serve freight mobility throughout the state.

OFAC members declared any conflicts of interest they had with the proposed projects.

OFAC discussed the proposed project prioritization and asked how specific comments would be recorded. Staff responded that one-page project reports would record the highlights of the project discussions. OFAC discussed several projects and directed staff to make a correction regarding the Tidewater/Boardman Barge project report.

Bob Russell made a motion that OFAC adopt the proposed OFAC *ConnectOregon II* priority matrix developed by the combined Projects and Policy Subcommittee. The motion was seconded and approved by consensus.

9. **STIP Progress Report**.....**Michael Bufalino, Senior Planner, ODOT Freight Mobility**

Michael Bufalino provided an update on the STIP process. OFAC discussed the need for a freight project list. The combined Projects and Policy Subcommittee will continue to review the STIP process.

10. **Other Business and Announcements**.....**Susie Lahsene, Vice Chair**

There being no time left in the agenda, this item was tabled until the next meeting. Members are encouraged to provide other business, announcements, etc. ongoing to ODOT FMS staff.

11. **Public Comment** - There were no public comments.
12. **Adjournment** - The OFAC business meeting was adjourned at 4:30 pm.

**ATTENDEE LIST**

<b><u>NAME</u></b>	<b><u>ORGANIZATION</u></b>
Steve Bates	Redmond Heavy Hauling
Martin Callery	Oregon International Port of Coos Bay
Jerry Grossnickle	Bernert Barge Lines, Inc.
Tom Hawksworth	Central Oregon & Pacific Railroad – Retired
Robert Hillier	City of Portland (PDOT)
Shirley Kalkhoven	City of Nehalem
Susie Lahsene	Port of Portland
Michael Montero	Montero Associates
Jim Nave	Union Pacific Railroad
Ray Neil	Pendleton Grain Growers, Inc.
Mike Nolan	Federal Motor Carrier Safety Admin.
Mike Quilty	Medford-Rogue Valley MPO
Bob Russell	Oregon Trucking Associations
Don Schellenberg	Oregon Farm Bureau
Charles Tindall	Blue Line Transportation Company
Liz Wainwright	Merchant’s Exchange
Lonny Welter	Columbia County
Tracy Ann Whalen	ESCO Corporation
Gary Whitney	OECDD
Paul Zalec	Portland & Western RR and Willamette & Pacific RR
<b><u>GUESTS</u></b>	
Arlene Dietz	A&C Dietz Assoc.
Mark Hemphill	HDR Engineering
Sue Laszlo	HDR Engineering
Don Lindly	Lincoln County Commissioner
Brock Nelson	Union Pacific RR
Paul Smith	Portland Office of Transportation
<b><u>ODOT STAFF</u></b>	
Jerri Bohard	Administrator, Transportation Development Department
Michael Bufalino	Senior Transportation Planner, Freight Mobility
Patty Penick	Key Contact, Freight Mobility
Kelly Taylor	Administrator, Rail Division