

Freight Plan Steering Committee Meeting

July 22, 2009

8:00 a.m. to 12:00 p.m.

Port of Portland Commission Room

Steering Committee Members in Attendance:

Dave Lohman - Chair
Mike Burton
Hugh Bynum (phone)
Mike Card (phone)
David Kronsteiner (phone)
Susie Lahsene
Linda Modrell
Mike Montero (phone)
Brock A. Nelson

Steering Committee Members Absent:

Scott Cantonwine
Gary Cardwell
Peter Kratz
Mike Noonan
John Porter
Bob Russell
Paul Zalec
Tom Zelenka

Staff:

Michael Bufalino (ODOT)
Becky Knudson (ODOT) (phone)
Teddie Baker (ODOT)
Lloyd Fobi (ODOT)
Jerri Bohard (ODOT)
Lance Grenzeback (Cambridge Systematics)
Sophie Hartshorn (Cambridge Systematics)
Chuck Green (PB Americas, Inc.)
Vaughn Brown (JLA Public Involvement)
Sam Beresky (JLA Public Involvement)

Introduction and Opening Comments - Commissioner Lohman

Committee Chair Dave Lohman welcomed everyone to the meeting. He noted that the purpose of the meeting would be to talk about the implications for the freight plan stemming from the technical analysis done to date and to provide guidance on initiatives and strategies to forward into the plan.

Vaughn Brown reviewed the agenda for the meeting. A series of four presentations from consultants would be interspersed with committee input and recorded feedback.

Members of the steering committee introduced themselves.

Consultant Status Report

Economic Forecast – Chuck Green, PB Americas, Inc. (PowerPoint)

Chuck Green gave a PowerPoint presentation that served as an overview of the economic forecasting and trade in Oregon. A handout of the presentation was included in the meeting packet. The presentation included:

- Presentation Overview
- Work Completed to Date
- Input From Other Groups and Studies
- Document Review and Analysis of Economic Forecasts
- Purpose and Process
- Evaluation Criteria
- Short-List of Alternatives
- Preferred Option
- Relationship of Freight Transportation to Economic Development
- Purpose and Process
- Oregon's Top Industries
- Top Countries Receiving Oregon Exports
- Rating Freight Dependence
- Rating Freight Investment
- Key Findings

General feedback and discussion from committee members:

- Questions about which models were being used
 - OEA and Implan
 - Global Insight (for national/international forecasts, some Oregon-specific factors)
- There were questions about the statistical accuracy of the OEA.
- Metro and other regional forecasts might vary from statewide. How can we reconcile the outcome or strive for consistency of forecasts across the state?
 - Acknowledgement that different sets of forecasts and different models will yield different results due to the variability in the models
 - Local forecasts could be combined with statewide, national and global forecasts to account for the variability in forecasts
 - Acknowledgement that there will be flaws in any forecast used but that they can be useful in identifying uncertainties and trends
- There needs to be consistency between policy documents and the local and regional models used.
- Is it possible to use a range of forecasts? (conservative – expected – optimistic)
- Consider mechanisms to reconsider and revisit forecasts as the global economy re-stabilizes.
 - Provide for flexibility in infrastructure investment
- A tool that will assesses and accounts for future changes needs to be included in the plan.
- There was a concern that energy and waste freight were not acknowledged in the forecasts.

Commodity Flow - Chuck Green, PB Americas, Inc. (PowerPoint)

Chuck Green gave a PowerPoint presentation that served as an overview of the commodity flow forecast and trade in Oregon. A hand out of the presentation was included in the meeting packet. The presentation included:

- Preliminary Highlights

- Dominant Commodities by Mode

General feedback and discussion from committee members:

- Dominant Commodities chart should be by volume/weight and value.
 - Many trucking items are missing from the list – 70% of all freight is in trucking and the list does not acknowledge that.
- Rethink the definition of “high value added” - it should not rely solely on low weight/high-value loads.
- Elaborate on the role of basic industry and the relationship between of freight and exports.
- Imports and through-flows are important to Oregon industry and should be acknowledged
- Intra-state freight is important to the Oregon economy as well and should be acknowledged
- Distance and mobility should be acknowledged as having an impact on exports
- Look for possible changing trends with energy import/exports. Recognize the possible impacts of the green economy and producing our own energy could have on freight.

Freight Regulations – Sophie Hartshorn, Cambridge Systematics (PowerPoint)

Sophie Hartshorn gave a PowerPoint presentation that served as an introduction and overview of WOC #1. The presentation was emailed to committee members prior to the meeting. The presentation included:

- WOC #1: Federal, State and Local Freight Regulations
- Task Overview and Structure
- Schedule
- Progress to Date
- Next Steps

General feedback and discussion from committee members:

- Lance Grenzeback (Cambridge Systematics) mentioned that there are federal, state and local freight regulations. The federal government is currently giving a lot of attention to freight but no clear direction has emerged. On the local level, the most attention was given to regulation and “what cannot be done”.
- Implications need greater emphasis including both opportunities and limitations
 - Each chapter currently includes an implications section and the end of each summary of regulations. These implications were pulled out and formed the basis of the Task 4 Technical Memorandum “Effects of Freight Regulations”. This memo is currently being viewed by the Working Group.
- Pending legislation creates unfunded mandates for private investment especially for railroads.
- HB 2001 – Section 19 calls for flexibility
 - Land use provisions need the same flexibility
 - Use local TSP standards or exceptions (such as Portland’s “Freight Master Plan”) as a demonstration of the need for flexibility
- There are tradeoffs between improved livability and higher costs for goods and services.
- Current environmental and land use changes related to climate change (GHG) are underway and need to be incorporated
 - Climate change/global warming tech memo will follow

Freight Infrastructure – Sophie Hartshorn, Cambridge Systematics (PowerPoint)

Sophie Hartshorn gave a PowerPoint presentation that served as an introduction and overview of WOC #2. The presentation was emailed to committee members prior to the meeting. The presentation included:

- WOC#2: Oregon’s Critical Strategic Freight Infrastructure
- Desired Outcome
- Task Overview and Structure
- Schedule
- Progress to Date
- Next Steps

General feedback and discussion from committee members:

- Inquire about local infrastructure that is critical but may not meet statewide criteria – Ask ACT’s.
- Check “best” routes against truckers’ preference for “shortest” routes.
 - Will analyze supply routes and critical routes
 - Ask carriers where critical routes exist

Cambridge Systematics Development of the Freight Plan – Lance Grenzeback, Cambridge Systematics and Michael Bufalino, ODOT (PowerPoint)

Lance Grenzeback and Michael Bufalino gave a PowerPoint presentation that served as an overview of the Oregon Freight Plan. The presentation was emailed to committee members prior to the meeting. The Presentation included:

- Linking Freight Improvements to Economic Growth
- Framework to Assess Freight Transportation Systems
- Plan Purpose
- Schedule
- Coordinating with Modes
- Public Involvement
- Potential Internal Effects
- Background Technical Memos

General feedback and discussion from committee members:

- Investment needs emphasis and specificity as a major part of strategies and initiatives.
 - Consider adding another bullet in Purpose
- Consider adding “implementation and project finance” as an additional purpose of the freight plan
- Need a section describing how the freight plan will be maintained and update.
- Imbed flexibility in the document to keep it fresh and current.
- Suggestion for two versions of the freight plan:
 - A digest version
 - A full version
- The plan needs to be specific to the state by listing the top trends affecting Oregon and the logistics of how the supply chain changes for Oregon businesses.
- There needs to be an explicit recognition of the current state of freight and infrastructure in Oregon. Without knowing the current conditions, it is impossible to move forward in any direction.
- Global trends influence should be stronger and more explicitly stated along with their implications for Oregon
- Food safety/security and “buy local” trends impacts should be considered.
- The skills and knowledge of the steering committee could be leveraged more. There was a feeling that there has not been enough opportunity for input from committee members.

Meeting accomplishments, what's next & adjourn

Commission Dave Lehman thanked the committee members for their feedback. He asked the committee members to keep a hold on November 9th for the next meeting. The next meeting might take place in Salem. He also mentioned that the next two meetings will be getting down to the details of initiatives and strategies as the project team will be entering the final production stage of the Freight Plan. Staff will be working on an agenda for the next meeting that will help the committee members provide feedback to the team and to ensure that future meetings are as productive as possible.