

IV. STIP Program Development Process

This section describes the Statewide Transportation Improvement Program (STIP) development process. The four major steps in this process include:

- A) Setting goals, program criteria, prioritization factors, and funding targets;
- B) Developing projects for state-administered programs at the state level;
- C) Developing projects in each of the five Oregon Department of Transportation (ODOT) highway regions; and
- D) Coordinating with development processes of Metropolitan Planning Organizations (MPOs), local governments, and other federal and tribal governments.

From the time the Oregon Transportation Commission (OTC) holds a preliminary work session on the new STIP until they adopt the final document takes about 30 months. There is a diagram of the process in [Chapter II](#), Figure II-3.

A. STIP Goals and Funding Targets

This first step is intended to set goals for the upcoming STIP cycle, establish criteria that guide project selection for the various programs covered in the STIP, and establish funding targets for the various STIP programs.

1. INVESTMENT REQUESTS AND PRELIMINARY FINANCIAL ASSUMPTIONS

Prior to meeting with the OTC about the upcoming STIP cycle, the ODOT Highway Finance Office (HFO) requests ODOT divisions that manage programs funded through the STIP, which include Public Transit, Highway, Transportation Development, and Transportation Safety, to develop a list of their investment proposals and funding requests. Each division prepares a program needs report that outlines program goals, past performance toward achieving goals, critical needs, and requested funding for the upcoming STIP cycle. This information is compiled at team meetings and then shared at an Executive Small Group meeting in the spring of the year preceding STIP adoption (e.g. March of the odd number year that precedes STIP adoption).

At the same time, HFO begins work on the financial assumptions and funding allocation parameters that will be used to establish budget-level program allocations. HFO relies on previous STIP allocations, OTC policy, and other ODOT policy and goals documents such as the Oregon Highway Plan (OHP) to guide development of the preliminary program allocations.

Funding Allocations for State Programs

HFO is responsible for determining an initial allocation of funding among STIP programs. The state receives federal funds in general categories with discretion within

some funding categories on how to spend it. (A reference guide for federal program rules and summaries can be viewed at <http://www.fhwa.dot.gov/programadmin/covert21.htm>.) At the start of the STIP process the HFO sets funding targets by forecasting funds for program areas that the state has management responsibility. Program spending limits for some programs are set by federal goals and guidelines. For other programs, the OTC may allocate funds to a specific program area, and then decide how the money is distributed.

The federal budget authorization and state budget allocation processes follow separate timelines. The processes may change from cycle to cycle depending on changes in fiscal policy, regulations, and authorization targets. HFO reviews major investment proposals and funding requests from the various programs while monitoring federal budget and transportation funding authorization and state transportation funding resources. HFO consults with ODOT executive staff about legislative initiatives that may affect funding allocations for the STIP, and collects data that are used in various program allocation formulas, such as the variables that are used to determine regional equity splits for the Modernization program. This information is combined into a forecast that makes up the initial funding allocations.

Federal Surface Transportation Program (STP) and Transfers

Federal STP funds are allocated to states on a formula bases and are sub-allocated to geographic areas and then to programs for use on highway projects. The STP allocation considers a state's urban area population relative to the overall state population. That portion of the funding that is targeted for urban areas goes directly to the MPOs in charge of transportation programs for those urban areas, and the MPOs decide which projects in their TIPs to fund from this source. The STP also has a minimum spending requirement on "secondary roads" outside MPO boundaries. STP funds may only be spent on projects that improve the state highway system, but the State can decide which programs are allocated revenue from this source. In certain circumstances, however, STP funds can be transferred to non-highway uses. To read more about the program and its funding subcategories, visit the STP fact sheet at: <http://www.fhwa.dot.gov/safetealu/factsheets.htm>

Oregon has transferred STP funds to non-highway uses. For example, ODOT at the request of MPOs and transit districts, have transferred STP funds to expand transit systems. STP transfer requests usually originate at the region level, and the HFO consults the regions about potential STP transfer requests. The HFO identifies where a STP transfer is necessary to fund a critical non-highway need and estimates the amount and use for these transfers. STP transfers to be made to individual transit service providers and programs are passed through ODOT's Public Transit Division.

Federal Earmark Allocations

Federal earmarks are budget authorizations that are written directly into federal legislation for transportation for specific projects, and therefore Congress chooses which projects to fund. Earmarks can be for long-range planning studies, highway

improvements, intermodal system improvements, or transit systems. The OTC has adopted guidelines for requesting federal earmarks that ODOT follows.¹ A key guideline is that jurisdictions requesting earmarks provide matching funds. ODOT coordinates earmarks with the Oregon Congressional Delegation, but will not be responsible for funding shortfalls for projects requested by other jurisdictions.

Local governments are encouraged to coordinate with their ACT and ODOT Region staff before requesting federal earmarks through the Oregon Congressional Delegation. It is also suggested that local governments use the OTC adopted guidelines to evaluate potential projects to ensure that only eligible projects with strong support and adequate matching funds are submitted to the Oregon Congressional Delegation. Projects proposed for federal earmark allocation should meet the following minimum standards:

- 1) Eligibility. Evaluate each project to determine if it is eligible for federal funding. The project must also be eligible for the type of funds used as match.
- 2) Feasibility. Evaluate each project to determine if the project sponsor is able to deliver the project, there are any known fatal flaws, and there is a sound financing plan, including a reasonable size request, identified and committed matching funds, and a contingency plan if the request is partially funded.
- 3) Timeliness. Evaluate each project to determine if the project can be completed in a timely manner, and federal funds can be obligated prior to the end of the authorization period.
- 4) Public support. Evaluate each project to determine if the project has demonstrated public support.

2. OTC Adopts STIP Funding Targets and Program Goals

In early summer, HFO develops preliminary funding recommendations for all programs funded through the STIP and reviews them with executive staff. Investment needs identified in ODOT's business plan, including information systems, physical plants, maintenance facilities, and vehicle fleets, are not programmed through the STIP, but have to be accounted for and may affect the funding levels of programs in the STIP.

Executive staff conducts a work session presentation with the OTC at one of its regular public meetings to review target funding levels for the upcoming STIP cycle. These recommendations are then sent to stakeholders for comment. Comments and concerns are reviewed by staff and sent to the OTC for its review as well. At a later meeting, the OTC reviews staff recommendations, makes adjustments, and approves agency-wide funding allocation targets. The approval of target funding levels allows ODOT staff to begin evaluating specific projects and working with STIP coordinators on the upcoming

¹ The OTC adopted Guidelines for Earmarked Projects, Reauthorization of TEA-21, at their January 2003 meeting. A list of the complete guidelines can be found in the adopted STIP.

STIP program. Timely approval of the funding allocation targets is important for keeping the project development and selection process on schedule.

During their work session with the OTC, executive staff reviews program goals for the upcoming STIP cycle. ODOT executive staff also meets with division and program managers to review progress in meeting goals and objectives.

To address consistency with highway plan policies and adopted land use plans, compliance with HB 2041 (freight mobility), and allocation of scarce resources, the OTC adopts project eligibility criteria and prioritization factors for three programs: Modernization, Pavement Preservation, and Bridge Rehabilitation and Replacement. Eligibility criteria are threshold standards that each project funded through these programs must meet. Prioritization factors are intended to help guide the selection of projects when needs exceed available resources. The STIP Stakeholder Committee formulates a set of draft criteria that is reviewed by staff and multiple stakeholder committees including ACTs, MPOs, and ODOT advisory groups. Their comments are then reviewed by the STIP Stakeholder Committee before they finalize a recommended draft to send to the OTC for approval.

When the funding allocation targets and eligibility criteria are approved, ODOT program managers, region planners, STIP program coordinators, advisory groups to the STIP process, tribal governments, federal land management agencies, and metropolitan areas that program transportation projects through the STIP begin work on project selection and scoping.

B. State-Level Project Development Process

1. STATE-MANAGED PROGRAMS - PROJECT REVIEW AND SELECTION

Several STIP programs are managed at the state level and projects are selected through a centralized ODOT process. These state-managed programs are listed in Table IV-1. Some programs use management systems and data bases that have embedded within them objective criteria and field data that are used to identify problem locations and high priority projects. These projects begin with an identification by the statewide program manager using system data, then they are reviewed by the regions before a final decision is made.

The Oregon Transportation Management Systems (OTMS) includes a special group of five computerized systems that are used to monitor highway conditions and to help prioritize system investment needs. The systems are:

Pavement Management System – monitors pavement conditions on all state highways and is used by the Pavement Preservation Program

Bridge Management System – monitors structural and functional conditions of all bridge structures that meet federal guidelines for monitoring under the National

Bridge Inventory and is used by the State Bridge Program and the Local Bridge Program

Safety Management System – monitors hazardous location on the highway system using two tracking systems; one is a location specific tracking system called the Safety Priority Index System (SPIS) and the other is a highway segment based monitoring system for the Safety Investment Program (SIP). The systems are used by many programs, not just the Safety Program, to identify areas of concern.

Highway Economic Requirements System (HERS) - HERS was originally developed by the Federal Highway Administration (FHWA) as an analysis tool for reporting the condition and performance of the highway system to US Congress. Oregon was the first state to adapt and apply the national model for state level analysis; other states have since followed. The adapted version is called HERS-ST and it provides long-range forecasts of likely highway deficiencies, or needs, along the state transportation system. This customized version of HERS was used to develop the Modernization needs defined in the 1999 Oregon Highway Plan (OHP) and is available to assist with project evaluation. FHWA continues to invest in on-going development of HERS and actively supports updates for HERS-ST.

Congestion Management System (CMS) - CMS, which is used to identify and monitor congested segments of the state system, is actually an outgrowth of the HERS-ST system. CMS uses the mobility standards defined in the OHP to identify congestion prone locations. CMS is one of many layers of information that is available on-line in [TransGIS](#), a computer mapping tool on the internet. This tool is useful for prioritizing and developing future projects for the STIP.

In addition to these management systems, which provide information that is available to all state program managers, highway engineers and stakeholders, several ODOT programs have developed their own computer-based systems for tracking the condition of a specific set of system assets or locations. There are statewide management system data bases for culverts, fish passage locations, rock fall and slide locations, and at-grade rail crossings and several region-level data bases for signs and signals, and intelligent transportation projects. While not technically part of OTMS, these program specific data bases are very important in determining which projects get selected in the upcoming STIP cycle.

Other statewide programs use a competitive application process to select projects. For competitive programs, an application is usually submitted to the ODOT program office in Salem by a project sponsor, such as a city, county, special district, or an ODOT district. Descriptions of these programs and the procedures for applying for them are in [Chapter VI – Program Descriptions](#).

Most of the competitive programs listed below have advisory committees that help select the final projects that are included in the STIP. They and the program manager

may adjust funding allocations between the regions depending on the location of a project and the cost-to-benefit ratio of candidate projects. ODOT program managers inform the applicants and STIP coordinators in each region about the selected projects. While ODOT highway regions are consulted about these projects, and may assist in developing cost estimates for candidate projects, the project selection is done by the program managers and advisory committees. The list gains final approval when the OTC adopts the STIP.

Table IV-1: STIP Statewide Programs Project Selection Process

Program Name	Selection Process	Funding Source
Forest Highways	Competitive application	Federal Lands Highways
Immediate Opportunity Fund	State threshold application	State revenues
Culvert Replacement and Salmon Enhancement	Statewide data base	Federal STP/State revenues
Rail-Crossing Safety	Competitive application with statewide data base	Federal STP
Scenic Byways	Federal application	Federal STP
Safety	Oregon Transportation Management System (OTMS)	Federal/State
State Bike/Ped Grants	Competitive application	State revenues
State Bridge	OTMS and Advisory Panel	Federal Bridge/State bonds/State revenues
Transportation Enhancement	Competitive application	Federal STP
Transportation Growth Management	Competitive application	Federal STP

Unlike other programs listed in the Users' Guide, projects funded through statewide competitive programs tend to be selected independently and ODOT regions typically are not involved in project selection. ODOT regions may even apply to these programs on their own and look for opportunities to combine competitive grant awards with other funding in the region to stretch construction dollars.

2. PROJECTS OF STATEWIDE SIGNIFICANCE

The STIP includes a list of projects of statewide significance, which usually involve large construction projects on the interstate system and on major state highways. These projects are complex and require a lot of lead time. The OTC adopted STIP project criteria defines projects of statewide significant as those that:

require funding that cannot be achieved within standard STIP allocations but are viewed by the OTC as projects of statewide significance and can be selected by the OTC independent of the ACT process. Identified funds would be used to either keep existing work on very large projects current, or to support development of very large projects (for example, funding a new Environmental Impact Statement or updating an existing EIS).

The main source of funding for projects of statewide significance is the Modernization (MOD) program. Large MOD projects frequently require planning studies,

environmental review, and design of alternative solutions. They usually take more than four years (i.e. longer than one STIP cycle) to complete; some may take a decade or more to complete. Typically these projects are programmed in the Development STIP (D-STIP) in one cycle and in the Construction STIP (C-STIP) in a later cycle, even when only one phase of the project is being built.

Funding for these projects comes from the relevant program allocations for the region in which the project is located, such as the region's MOD allocation. The OTC plays a direct role in programming projects of statewide significance whereas its role on other modernization projects is supported by recommendations from the Area Commissions on Transportation (ACTs) and ODOT staff. While the OTC approves funding for all MOD projects when it adopts the final STIP, it designates projects of statewide significance in advance.

C. Region-Level STIP Development Process

Most of the project selection work on the STIP occurs at the ODOT region level. This section provides an overview of the STIP development steps that are common to all regions and a discussion of the programs involved. The next chapter, [Chapter V – ODOT Highway Region STIP Procedures](#), describes how the processes differ between regions. For some of these programs, the regions are completely responsible for project selection. For others, they provide program managers in Salem with information about asset conditions and other field data and help with project scoping (defining a solutions and estimating its cost). For others, the region only assists with entering the project in the STIP database for their region and thereby assigning a key number to projects selected entirely by others. Programs which regions play a role in project selection may be classified as follows.

- Region Managed Discretionary Programs – these include Modernization, and each region's Bike and Pedestrian Program allocation.
- State Management System Programs and Bucket Programs - Pavement Preservation, Safety, Operations, and Culvert Replacement.
- Public Transit Programs – funding for transit-related capital purchases and operations that are programmed through the STIP.
- State-run Competitive Programs – including Bike and Pedestrian Improvements, Transportation Enhancement Reimbursement Program, and the Immediate Opportunity Grant Program.
- Federal Programs – including federal Forest Highways, federal demonstration projects or earmarks, and the Scenic Byways Program.
- Tribal Government and Metropolitan Planning Area Programs – these include transportation programs that are managed separate from the state process by metropolitan and tribal entities but because they are funded through the STIP there

is significant regional involvement in coordinating the integration of these programs into the STIP.

1. PROCESS OVERVIEW

The common procedures followed by all ODOT regions are summarized below. Several of these procedures also are referred to in the previous chapters, [Chapter II](#) – Background and [Chapter III](#) – Regulatory Framework.

Set region goals and project criteria – this primarily applies to the Modernization program and is coordinated through the Area Commissions on Transportation (ACTs) or some similar sort of steering committee. ACTs are provided with information about available funding and discuss how they will collect information about potential projects and prioritize them. Some regions also involve the ACTs in discussion about other projects that are selected through management systems or competitive programs, like Pavement Preservation, Safety, and Transportation Enhancement.

Project identification – this process involves updating and sorting project lists and identifying priority projects. This is largely a staff-level work task directed by various managers and technical staff. ACTs are usually involved in deciding which MOD projects make the “short-list” for further consideration. For management system programs, the “short list” of projects is developed by region staff and program managers.

Scoping, rating, and prioritizing – this process involves estimating the cost of potential projects, screening them against eligibility criteria approved by the OTC and, in some cases, supplemented with criteria developed by the regions, and ranking potential projects. Project needs always exceed available resources, so a combination of objective measures and professional judgment is used by region staff to evaluate the merits of each project. The region’s Technical Service Centers (Tech Centers) and project delivery staff members are frequently involved in this step.

Project recommendations – the ACTs are responsible for recommending projects to the OTC for the MOD program. Different procedures are used to do this in each region. The ACTs sometimes review staff recommendations for other programs as well, including projects that are programmed using management systems (Pavement Preservation, Safety, and Operations) and projects programmed through the D-STIP. The final draft project list is prepared by the region’s STIP Coordinator.

Programming – this step is aimed at using scarce resources wisely. Region managers and senior staff members meet to see if there are ways to combine projects and make better use of engineering, right-of-way, and construction funds. For example, they may combine a Safety project with a PRES project or change the timing for an operation project to coincide with a MOD project. Sometimes the process involves coordinating state efforts with local governments, MPOs, and tribal entities to make sure that state projects being recommended for the STIP are consistent with locally-programmed projects. Programming is a complex process that involves many staff hours. HFO

assigns key numbers to projects as the final administrative step in developing the draft STIP document.

Draft STIP hearings – this is the final region-based step in the STIP development process. Each region presents the draft document to their ACTs and holds a series of public meetings to gather comments on the draft program. The draft STIP may include projects forwarded to ODOT by MPOs and tribal governments in TIPs. Comments from these region hearings are forwarded to the OTC for consideration prior to final STIP adoption.

2. MODERNIZATION (MOD)

ODOT's MOD Program finances projects that expand capacity on state highways. In most regions, ACTs are responsible for developing the region's MOD program list for the STIP. The ACT is the key advisory body for determining how Modernization funds will be spent. Each ACT operates under its own charter that specifies who is represented on the ACT, how members are appointed, how long they may serve, and other procedural matters. Charters are approved by the OTC and are updated and re-approved every two years. ODOT staff provides technical support to each ACT. ACTs are governed by the *Policy on Formation and Operation of Area Commissions on Transportation*. This document can be found in [Appendix D](#) or together with other information about Oregon's ACTs on the ODOT web site at: http://www.oregon.gov/ODOT/COMM/act_main.shtml.

Other stakeholders that also influence the MOD programming process include the [Oregon Freight Advisory Committee \(OFAC\)](#), MPOs, ODOT region managers, and city and county transportation managers. Planning documents from which prospective MOD projects are drawn include regional/metropolitan transportation plans and local transportation system plans (TSPs) and ODOT corridor plans and facility plans that are adopted into TSPs and the OHP. The project selection process generally follows the steps listed below:

- The OTC approves eligibility criteria and prioritization factors for the MOD program.
- Regions get approved MOD program funding levels from the OTC and relay this to their ACTs and MPOs.
- ACTs may establish their own project rating criteria in addition to the statewide criteria [see *Policy on Formation and Operation of Area Commissions on Transportation (ACTs)* in Appendix D], but these must not conflict with the statewide criteria.
- Regions usually develop a MOD project list from planning documents and screen the list based on input from the ACT and other stakeholders; more projects are nominated for consideration than there is available funding. Many regions and/or ACTs keep an ongoing needs list built from existing planning documents that is used at the beginning of this step.

- Region staff scopes the proposed MOD projects, assess their eligibility, and explore opportunities for leveraging MOD funds with other programs.
- ACTs review, prioritize, and recommend projects for their area.
- A region-wide group that may include ACT representatives, the region manager, an OTC member, and area managers and staff, meets to review the recommended project list, resolve funding constraints, and develop a final region list.
- Region staff members review projects for ways to combine them for scheduling efficiency, and prepare reports on project consistency with statewide criteria.
- Projects are entered into the Draft STIP database.

In recent STIP cycles, Regions 3, 4 and 5 have tended to use MOD funds for road construction or for leveraging other road construction funds. Regions 1 and 2 typically commit a larger share of their MOD funds in the D-STIP for planning and preliminary engineering for large, complex MOD projects.

3. PAVEMENT PRESERVATION (PRES)

The Pavement Preservation (PRES) decision process for the STIP initially relies on the Pavement Management system to identify potential projects. The list is then refined with participation of region staff. Following is a typical process in the regions

- OTC approves funding levels and target percentage of pavement (in lane miles) in fair or better condition for each STIP cycle based on goals set out in the OHP. ODOT conducts annual visual assessments in which pavement condition is rated from “very poor” to “very good” and is published in an annual report.
- Regions obtain a recommended project list from the state Pavement Management System.
- Region and program staff members review the list together and refine system priorities.
- Other potential projects not identified by the Pavement Management System (PMS) are added to the list, if any.
- Program staff, region tech center staff, and/or project deliver staff scope projects and identify potential treatments and costs.
- An initial project match-list is prepared to meet PMS mileage and budget targets.
- Pavement Units (District Manager and Maintenance staff) review the project list, and discuss and document rationale for including the projects.

- A final project list is prepared; some regions share the list with ACTs to update them on the full project selection process and ensure that they are knowledgeable about the variety of projects within their jurisdictions.
- Region programming meetings are held to identify opportunities for combining projects.
- Projects are entered in the draft STIP database. PRES projects appear either on their own or combined with MOD, Safety, Operations, Transportation Enhancement, Bicycle/Pedestrian, or local Surface Transportation Program projects.

4. OPERATIONS AND SAFETY

Like the Preservation program, Operations and Safety programming for the STIP depends largely on management system feedback for selecting projects. Safety projects in the regions are pulled mainly from the Safety Priority Index System (SPIS) list, supplemented by Hazard Elimination Program (HEP) data and other local information and deferred maintenance lists. The initial Safety program project list is prioritized using cost/benefit analysis. The STIP development process for the Safety program may follow these general steps at the regional level.

- SPIS list is generated and reviewed in consultation with District Managers.
- About 150% of the budget is programmed and ranked according to cost/benefit factors.
- Region Tech Centers scope projects to nail down costs and clarify benefits.
- Final draft list is defined and recommended to region-wide management team.
- List given to region managers and the STIP Coordinator for programming in the draft STIP.

Region Operations encompasses four sub-programs: Slides and Rockfalls, Signs, Signals and Illumination (SSI), Transportation Demand Management (TDM), and Intelligent Transportation Systems (ITS). Project selection is guided by management systems or project lists that are developed at the region level. Regions select Slides and Rockfall projects from a state priority list based on cost/benefit factors. Decisions related to Signs, Signals, and Illumination projects mostly rely on a region traffic operations needs lists (e.g. an inventory of these assets and their remaining service life), which are prioritized based on the judgment of field staff and program managers. Some regions, such as Region 3, report that they also solicit projects from ODOT planning staff, Area Managers, and District staff. ITS projects are selected according to each region's ITS plan. Transportation Demand Management projects are programmed based on the need for such programs in each region.

5. STATE MANAGED COMPETITIVE PROGRAMS AND BUCKET PROGRAMS

Competitive programs include the state's Bicycle/Pedestrian Grant program and the Transportation Enhancement program. There is some discretionary funding provided to the regions through the Bike-Ped program. Bucket programs involve pots of money from which projects are selected during the course of the STIP cycle. Program examples include the Fish Passage and Non-National Bridge Inventory (Non-NBI) Culverts and Public Transit programs. These programs are largely administered at the state level but the regions are consulted during project selection and are frequently involved in project scoping and delivery. The state's program managers usually consult with the regions about these projects except when that would pose a conflict of interest.

The Bicycle/Pedestrian (Bike/Ped) Program allocates Quick Fix funds on an annual, as-needed basis, which District Managers use for minor sidewalk improvements on state highways. Quick Fix funds provide up to \$50,000 per project. Sidewalk Improvement Program (SWIP) funds are frequently used in Preservation projects for bicycle and pedestrian projects in the state highway right-of-way. SWIP funds are allocated to each region; responsibility for identifying projects varies by region. Region staff also advises local governments who are applying for the statewide Bicycle/Pedestrian Program grants.

The Transportation Enhancement (TE) Program offers both competitive reimbursement funds and discretionary funds. ODOT regions must compete with other agencies and regions for the competitive funds, and applications are coordinated by ODOT region local government liaisons. Discretionary TE funds are distributed on an as-needed basis, but this is a relatively new aspect of the program for which regions have not developed procedures.

Fish Passage (Salmon Enhancement) and Culvert Programs project decisions are made according to a statewide priority list developed cooperatively between the Oregon Department of Fish and Wildlife and ODOT. Projects are handed off to the regions for project delivery. District maintenance managers and bridge inspectors advise the Non-NBI Culvert Program about project needs. They report culvert conditions to ODOT, which then generates a statewide list of needed culvert improvements. Opportunities are sought to combine culvert projects with Preservation and Modernization projects.

6. EARMARKS AND FEDERAL PROGRAMS

As discussed earlier in this chapter, regions coordinate requests for earmarks through HFO based on guidance provided from the OTC about the state's earmark priorities. ODOT coordinates earmark requests with the Oregon delegation so that they can lobby to have these budget allocations written directly into federal legislation for the Surface Transportation Act.

D. Coordination with MPO, Local Government, and other Federal and Tribal Agency Transportation Improvement Programs

1. MPO TRANSPORTATION IMPROVEMENT PROGRAMS

MPOs are mandated by federal legislation and then enabled by state legislation to carry out metropolitan transportation planning. MPO planning areas contain populations of 50,000 or more, and the boundaries encompass at least the urbanized area and those areas expected to be urbanized within the 20-year forecast period covered by the transportation plan. The boundary may encompass the entire metropolitan statistical area or consolidated metropolitan statistical area, as defined by the Bureau of the Census. These boundaries must also include the boundaries of the nonattainment or maintenance areas, if applicable, or unless another boundary has been agreed upon by the Governor and the MPO (23 Code of Federal Regulations (CFR), Sections 450.308 and 450.310(f)).

Large urbanized areas with populations over 200,000 are designated Transportation Management Areas (TMAs). Per 23 CFR Part 450, the MPOs in TMAs must develop unified planning work programs (UPWP) or unified work programs (UWP) in cooperation with the State and the operators of publicly owned transit. These programs must address the planning priorities facing the metropolitan planning area and describe all the transportation and related air quality planning activities anticipated within the area during the next one or two year period. Metropolitan Transportation Improvement Program (TIP) and STIP planning projects should be included in the UWP (Metro Self-Certification, Exhibit A to draft Resolution No. 04-3430, Joint Resolution of the Metro Council and Oregon State Highway Engineer.). In addition, EPA air quality regulations have required that the regional transportation plans in maintenance and nonattainment areas be updated every three years. SAFETEA-LU extends this to four years.

In Oregon, all MPOs including both TMAs and smaller metropolitan areas, prepare a UPWP. It describes who will perform the work and what work will be accomplished using federal funds (23 CFR Section 450.314). There is more information about Oregon MPOs and their planning and project programming responsibilities in [Chapter II](#) – Background of the Users' Guide and online. The following table lists Oregon MPOs.

Table IV-2: Oregon MPOs

MPO	Jurisdictions/Agencies	TMA?	Air Quality Conformity Area
Bend	City of Bend	No	No
Central Lane	Lane County, Lane Transit, cities of Coburg, Eugene, and Springfield, Lane COG	Yes	Yes
Corvallis Area	Benton County, City of Corvallis, Corvallis Transit District, Cascades West Council of Governments (CWCOG)	No	No
Kelso-Longview-Rainier	In Oregon, Columbia County, City of Rainier, Port of St. Helens	No	No

MPO	Jurisdictions/Agencies	TMA?	Air Quality Conformity Area
Metro	Metro, Clackamas, Multnomah and Washington counties, all incorporated cities in Portland metropolitan area, Tri-Met, SMART	Yes	Yes
Rogue Valley	Jackson County, cities of Ashland, Central Point, Eagle Point, Medford, Phoenix, and Talent, Medford Transit District, Rogue Valley COG (RVCOG)	No	Yes
Salem-Keizer Area	Marion and Polk counties, cities of Salem and Keizer, Turner, Salem Transit District, Mid Willamette Valley COG	Yes	Yes

2. STATE PROGRAM COORDINATION BETWEEN THE ACT AND THE MPO

ACTs are advisory bodies chartered by the OTC. Their duty is to address all modes of transportation in their area with primary focus on the management and improvement of the state transportation system and they are responsible for prioritizing the regions' MOD program.

MPOs are associations of local governments required by the federal government and designated by the governor to carry out Metropolitan Transportation Planning Process (Title 23 and 49 of the US Code). MPOs' duties are specified in the Code of Federal Regulations and must provide a "reasonable opportunity to comment" before approving a long-range plan. It is expected that ACTs and MPOs will coordinate efforts where they overlap. ACTs may advise the OTC, but the MPO is responsible for carrying out the metropolitan planning process within their boundaries.

MPOs implement their adopted long range transportation plans through a MTIP, which identifies all regionally significant projects or those that include federal funds; the MTIP program coincides with the STIP and the STIP contains all MTIP projects. In Regions 2, 3, and 4, many of the entities that make up the MPO also are members of the ACT. For example, it is typical for members to serve both on an MPO transportation policy board and on the ACT. This is not true in Region 1, where only a small part of the region is served by an ACT.

3. STATE PROGRAM AND MTIP COORDINATION

Depending on the size of the MPO, the process for integrating an MTIP into the STIP differs.

Large MPO/STIP Coordination

Large MPOs, which are responsible for transportation programming in a TMA, receive federal Surface Transportation Program (STP) funding directly through a federal allocation formula. These funds may be used for Modernization, Public Transit, Safety, and other types of projects that are programmed through the MTIP. Federal law states

that these programs must be incorporated directly into the STIP unchanged. In these instances, the Region STIP Coordinator works directly with a counter-part in the MPO to obtain project information that ODOT needs to assign each MTIP project a key number and enter the projects into the STIP project database.

However, not every state highway project is programmed through the MTIP. In particular, operations, safety, and other projects that relate to corrective or capital replacement work are identified by state management systems, not by the MPO. ODOT representatives to the MPO provide information to MPO members about these projects. Sometimes, the MPO integrates important projects into the MTIP, for example, when an MPO Modernization project is combined with a state Operations project. In most cases, however, management system projects are not formally integrated in the MTIP; they only appear in the STIP.

Small MPO/STIP Coordination

Non-TMA MPOs do not receive an allocation of federal funds over which they have control. In these areas, the MPO is still responsible for programming the MTIP, but funding comes out of the ODOT region's program allocations. For the MOD Program, the ACTs still are responsible for reviewing and ranking project recommendations made by the regions, and the ACT and MPO work together to develop an overall MOD program that serves area interests and MPO interests.

Prioritizing transportation improvement projects, including STIP project identification and prioritization, is one of the main activities where coordination between MPO and ACT is vital. The MPO is responsible for identifying and prioritizing transportation improvement projects within MPO boundaries by federal requirement. These priorities are reflected in the MTIP. The regions work collaboratively with both ACTs and MPOs in the development of a transportation construction program for the area.

The ACT is responsible for identifying and prioritizing transportation improvement projects that are of regional significance and for developing an overall list of transportation priorities the area, which encompasses a larger geographic area than the MPO. The ACT will consider MPO project priorities when developing the area list and may insert other projects as well. Per ODOT's *Policy on Formation and Operation of the ACTs*, MPOs are always represented on the ACT where their boundaries overlap. While they may differ for each area, procedures for resolving discrepancies between the MPO program and the ACT recommendation may be outlined in the ACT charter or through a separate agreement. For example, the Southern Oregon ACT and the Medford MPO have adopted an intergovernmental agreement that details a resolution process when priorities are not consistent. The Corvallis Area MPO and the Cascades West ACT have also adopted a protocols agreement [see [Appendix C](#), *ACT-MPO Coordination Protocols*].

E. Local Government Project Coordination

Local governments initially inform ODOT about local transportation priorities through the development and adoption of long range TSPs as elements of their comprehensive land use plan. With few exceptions, all MOD, TE, Bike/Ped, and transit service expansion projects that are in the STIP need to be identified in an adopted TSP, whether the project is identified through a local planning process or through a state planning process that is subsequently made part of the local TSP and the OHP.

The local TSP may be implemented in a number of ways. Some local governments adopt a multi-year integrated capital improvement program, while others use the annual budget process to identify projects that are approved for funding. The local budget approval process is especially important to the STIP process when local funds are pledged to match a state transportation project or when a local government is a conduit for a grant that is related to a state transportation project. In these instances, securing local budget approval is a necessary step in the STIP process; programming a project in the STIP may be conditioned on securing local government budget approval for matching funds.

Local governments can most effectively influence the STIP development process by identifying transportation needs in their TSPs and Regional Transportation Plans (RTPs) and by participating in their ACT and/or MPO advisory processes. Local governments also influence the STIP process informally by bringing projects to the attention of ODOT District staff. The latter process typically involves meetings between local government public works staff and ODOT District-level staff regarding operations and safety issues affecting state highways.

Each ODOT region has staff (called Local Agency Liaisons) assigned to help local governments identify projects and find appropriate project funding. The ODOT Local Government Program is available to provide local agencies overall coordination and support in their effort to develop and construct transportation projects. Through this program, ODOT offers educational opportunities, technical support, and federal oversight to local agencies and other transportation partners. The Local Government web page provides contact information and links to various resources needed in order to program, design, and construct local agency sponsored federal aid projects. The Local Government Section of each region has at least one Local Agency Liaison who is available to help coordinate ODOT's operations with local transportation planning goals.

LOCAL PROGRAM OVERSIGHT COMMITTEE

The Local Program Oversight Committee (LPOC) is a partnership between the counties, cities, the Federal Highway Administration (FHWA), and ODOT. The purpose of this group is to improve policy, process, and oversight in the delivery of the Local Federal Aid Program and other local street and road programs and projects administered through ODOT. While the Local Officials Advisory Committee (LOAC) works on transportation policies and provides advice to ODOT senior management and the OTC, the focus of LPOC is on Local Program project delivery.

F. Federal Land Management Agency Programs

1. UNITED STATES FOREST SERVICE, FOREST HIGHWAY PROGRAM

Program Description

The Forest Highway Program (FHP) is one of five categories within the Federal Lands Highway Program (FLHP). The objective of the Forest Highway Program is to improve access to and through National Forest lands through projects on designated "Forest Highways," which may be state, county and other public roads if they meet the criteria addressed below. Program decisions are made jointly through the Tri-Agency Committee. FHWA's Western Federal Lands Highway Division (WFLHD), the USFS, and ODOT each have one voting member. The ODOT member also represents Oregon counties.

Forest Highway Enhancements are a subset of the FHP. Enhancement projects are related to forest highways and typically include work on trailhead parking, scenic viewpoints, rest areas, bike and pedestrian access, interpretive signing, and historic and environmental protection.

Program Funding and Structure

FHP funding is allocated to states by an administrative formula based on the amount of National Forest lands in the state. By formula, Oregon receives about \$19 million per year for the FHP, of which \$5.5 million goes toward preliminary and construction engineering, about \$2 million to Forest Highway Enhancement projects, and the rest (\$11-12 million) to road construction. FHP funding may be used for preliminary design and environmental engineering, construction, and construction engineering. It has been a Tri-Agency policy not to use FHP funds for right-of-way acquisition and maintenance. A local match is not required, but may be viewed favorably during the project review and selection process. Forest Highway Enhancements receive 10% of the total FHP allocation.

WFLHD programs FHP projects for five years. Enhancement projects are selected on a three- to four-year cycle. The Tri-Agency Committee is moving to better synchronize applications for both types of projects with the two-year STIP update cycle. The Tri-Agency Committee, which is responsible for project review and selection, meets annually to evaluate the FHP and modify funding and timelines as needed.

FHP projects are reported individually by county in the STIP, and any unassigned funds are shown as "buckets" in the STIP. Forest Highway Enhancement funds are committed to projects through the first three years of the upcoming STIP and are reserved in a bucket for the last year of the upcoming STIP.

Project Criteria and Selection

All FHP projects must be on a designated Forest Highway route. Although a roadway does not have to be designated a forest highway when a project is proposed, it must be

designated a forest highway before any FHP funds are awarded to a project. Designations are made by the WFLHD Division Engineer in cooperation with the Forest Service Region Office and ODOT, according to the criteria below. Designation proposals can be submitted at any time, but changes are usually made only during the project selection cycle or in response to a periodic statewide evaluation of existing and requested routes.

To be designated as a Forest Highway a route must:

- 1) Be wholly or partially within, or adjacent to, and serving the National Forest System (NFS)
- 2) Be necessary for the protection, administration, and utilization of the NFS
- 3) Be necessary for the use and development of NFS resources.
- 4) Be under the jurisdiction of a cooperator and open to public travel.
- 5) Provide a connection between NFS resources and one of the following:
 - a. A safe and adequate public road
 - b. Communities
 - c. Shipping points
 - d. Markets dependent on these resources
- 6) Serve one of the following:
 - a. Local needs such as schools, mail delivery, commercial supply
 - b. Access to private property within the NFS
 - c. A preponderance of NFS generated traffic
 - d. NFS generated traffic that has a significant impact on road design or construction.

The Forest Service, ODOT, and local jurisdictions (usually counties) apply for FHP funds. The agency with jurisdiction over the road (ODOT or the County) and the Forest Service must be co-applicants. If the Forest Highway is a "Public Forest Service Road" under Forest Service jurisdiction the Forest Service is the sole applicant.

Staff from Tri-Agency Committee member agencies, including the Association of Oregon Counties (AOC), conducts most of the project review and selection. County participation is important because many Forest Highway projects are on county roads. Staff develops selection criteria and a schedule for approval by the Tri-Agency

Committee. This team conducts the initial review and scoring before forwarding a project list to the field review phase involving Tri-Agency Committee members and staff. A narrowed list of projects is scoped and studied for feasibility before making the final list. Enhancement projects are selected through a similar but separate review process.

2. BUREAU OF LAND MANAGEMENT (BLM)

Figure IV-1: Oregon/Washington BLM Districts



Source: [BLM Website](#)

Program Description

One BLM State Office jointly manages BLM property in Oregon and Washington. The states are broken into BLM districts. Washington is organized into one district, while there are nine districts in Oregon with offices in Salem, Eugene, Coos Bay, Roseburg, Medford, Prineville, Lakeview, Burns, and Vale. Between the two states, there is approximately 25,000 miles of existing roadway to manage. According to the State Office, existing roadways provide sufficient access to most BLM property in Oregon so that new road facilities are rarely needed. Therefore, maintenance makes up most of Oregon/Washington BLM's transportation work. To reduce maintenance as well as environmental, cultural, and safety impacts, the agency tries to close roads that are not being used whenever possible.

Each State Office develops a Five-Year Deferred Maintenance Plan and Five-Year Capital Improvement Program. The maintenance and capital improvement plans address all agency facilities, including but not limited to roads. The State Offices are responsible for developing project lists that are evaluated by State Engineers according to health and safety, cultural and natural resource protection, and agency mission criteria. A ranked list is presented to the Washington D.C. BLM and Interior Department for approval. Congressional representatives are notified during the federal review process and federal budgets are set once the federal BLM and Interior Department approve the project lists. The Oregon/Washington State Office reports, however, that it receives only a couple capital projects per year according to the approved five-year plan and these are often projects for facilities other than roadways. While there is limited need for new roadways, as mentioned earlier, few capital transportation projects are

approved for BLM land because of insufficient funding. Proposals for new facilities receive the most scrutiny both at the state and federal level.

Funding that is approved for maintenance and capital improvements is administered through BLM district offices. District offices are responsible for coordinating BLM projects with the state and local government. According to interviews with the BLM State Office and ODOT state and region staff, there are few projects that require coordination between BLM, ODOT, and local governments.

G. Tribal Governments

Program Description

Planning and programming for Tribal Transportation is the responsibility of the Tribal Nations. The Indian Reservation Roads (IRR) program, authorized under the Federal Lands Highway Program (FLHP) provides funds for both planning and construction of transportation improvements in Tribal areas, which includes roads, bridges, and transit facilities that lead to or are within reservations or other tribal lands.

The Bureau of Indian Affairs' Northwest Region, along with Federal Lands Highway, is responsible for administration of the IRR program in Oregon, which also includes tribes from Washington, Idaho, Montana, and southeast Alaska.

Program Funding and Structure

The Bureau of Indian Affairs (BIA) Division of Transportation (DOT) and Federal Lands Highway Headquarters Office (FLH-HQ) jointly administer the IRR program. After a portion of the yearly authorization from federal transportation legislation (about 10%) is subtracted for administration and some other small program allocations, the remaining funding is distributed to each Tribe according to a relative needs allocation formula. The formula is based on population, vehicle miles traveled, and on the cost of bringing roads up to a given standard.

Project Criteria and Selection

Tribal governments in Oregon develop long range 20-year transportation plans for reservation lands and maintain Tribal priority lists of high priority projects that are not necessarily financially constrained. The Tribes prepare short-term Transportation Improvement Programs (TIPs) that program projects for about the next three years, which are fiscally constrained. The projects are drawn from their approved long range plans and priority lists. Each tribal government with an adopted TIP obtains funding from the Tribal shares. BIA Regions all administer IRR funds based on the Tribe shares from the formula distribution.

The IRR program prepares a national IRR TIP comprised of projects from tribal TIPs, tribal priority lists, and other tribal decision making. Projects in the IRR TIP are prioritized by year. The IRR TIP programs projects ready for construction in the next three to five years. The BIA Area Office is responsible for updating the IRR TIP with

information from tribal TIPs within its region each year. The BIA incorporates tribal TIP projects into the IRR TIP unchanged; projects can only be modified by the Tribal government.

Because Title 23 federal funds are used, programs in the IRR TIP and Tribal TIPs need to be reported in the STIP. IRR projects are programmed into the STIP under the Federal Lands Highway Program. Tribes submit their adopted TIPs to the BIA NW Regional Office in Portland, Oregon. The BIA submits those TIPs to the FLH-HQ Office in Washington, D.C.. The FWHA, in turn, coordinates with the Oregon STIP program to make sure these projects are included in the STIP. As with all STIP projects, Tribal projects are sorted by county. The following Oregon Tribes have adopted TIPs that are included in the IRR TIP and are reported in the STIP.

Table IV-3: Tribal Organizations and Transportation Programs

Tribal Organization	Area Covered	Program Types
Confederated Tribes of Warm Springs Indians	Warm Springs Reservation Road System	Planning, road system improvements, transit services
Confederated Umatilla Indians	Umatilla Reservation	Planning, road system improvements, transit services
Klamath Tribes		Transit services
Paiute Tribe	Fort McDermitt Indian Reservation	Road system improvements