OREGON TRANSPORTATION COMMISSION

Minutes of the Formal Monthly Meeting
November 21, 2014
Eugene, Oregon

On Friday, November 21, 2014, at 8:00 a.m., the Oregon Transportation Commission (OTC) and Oregon Department of Transportation (ODOT) staff held a premeeting briefing session and agenda review in the Wilder I Room at the Eugene Hilton, 66 East 6th Street, Eugene, Oregon. Highlights of the premeeting were:

Director Garrett walked the Commission through the meeting's agenda.

Whites Hauling - Director Garrett explained the change in venue for the White's Hauling *Connect*Oregon V project. This change has been vetted by the Mid-Willamette Area Commission on Transportation, but the Dallas City manager has objected. The question for the Commission is whether this falls within the scope of the project or whether it is a change. Chair Mater asked Bonnie Heitsch of DOJ whether an application be changed. Heitsch answered that while the short answer is no, the Commission has the flexibility to say that they can change if the scope has changed. The project has been selected so is not in the application process anymore. Commissioner Lohman noted that the Commission has made changes in the past and asked whether it is fair for this magnitude of change. Chair Mater asked whether this would be precedent setting. Director Garrett said it would be in some ways, as ODOT has never had a request for a change in location like this. The Commission also discussed the appropriate time for public comment on this item.

*Connect*Oregon Funding - Director Garrett explained that funding remains from unallocated *Connect*Oregon funds, as well as a project that dropped out after being selected and savings from previous rounds. ODOT would like to ask the Final Review Committee to review the remaining projects and solicit information from applicants to see if anything has changed. A memo drafted by Chair Mater will go to the Final Review Committee laying out a number of issues and asking the FRC to consider these issues and respond. Director Garrett explained that about $4 million is available, but the goal is to get a prioritized list, not to ask for a specific amount to be funded. ODOT would bring projects back to Commission in January or February.

Transportation Options Plan - The Transportation Options Plan is ready for public review after a lengthy development period.

U.S. 20 Pioneer Mountain to Eddyville Update - Director Garrett explained that ODOT Region 2 staff would provide an annual report on this major project and request an increase in funding for one element that will move money forward that has already been dedicated.

Lane ACT - Director Garrett indicated that the ACT seems to be functioning well. Region 2 staff indicated that about 10 members would participate.

South Valley Regional Solutions Team - Director Garrett explained that a bill passed by the Legislature provides direction to look to RSTs for input on project selection.

Highway 126 - The Commission heard information on safety issues on Highway 126 between Eugene and Florence, which has seen a number of crashes. ODOT is working with stakeholders to address safety issues, including increasing enforcement. The fatalities are spread across the corridor, so there is no one problem location, but there is a pattern of lane departure crashes. The discussion has raised the prominence of safety and been a good public education experience. Commissioner Lohman asked whether there is a way to look at these types of crashes comprehensively, and Director Garrett committed to bringing a road safety presentation to the OTC.

Consent Calendar - Director Garrett provided a brief overview of three items on the consent calendar:

- The flat fee report.
- The OR 58 Salt Creek Viaduct project.
- Road Usage Charge contracts.

STIP Letter - Jerri Bohard provided a draft letter from Paul Mather to region managers setting expectations about the 2015-2018 STIP process and asked for feedback.

Commission Materials - Travis Brouwer provided background information on efforts to improve the way the Commission's agenda materials are presented to increase transparency and ease of use. The Commission agreed with the need for a more user friendly system.

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The formal monthly meeting began at 9:30 a.m., in the O'Neil Room at the Hilton.

Notice of these meetings was made by press release of local and statewide media circulation throughout the state. Those attending part or all of the meetings included:

Commission Chair Catherine Mater
Commissioner Dave Lohman
Commissioner Tami Baney
Commissioner Susan Morgan
Commissioner Alando Simpson
Director Matthew Garrett
Central Services Deputy Director Clyde Saiki
Asst. Dir. Public Affairs Travis Brouwer
Trans. Development Div. Admin. Jerri Bohard
DMV Division Administrator Tom McClellan
Highway Division Administrator Paul Mather
Public Transit/Rail Div. Administrator Hal Gard
Communications Section Manager Tom Fuller
Region 2 Manager Sonny Chickering
Region 4 Manager Bob Bryant
Governor's Tran. Policy Advisor Karmen Fore
Government Relations Manager Leah Craft
Commission Assistant Jacque Carlisle

Chair Mater called the meeting to order at 9:51 a.m.

Before the Director's report, Chair Mater called Oregon State District 4 Senator Floyd Prozanski, Oregon State District 8 Representative Paul Holvey, and Confederated Tribes of Coos, Lower Umpqua, and Siuslaw Indians Chair Bob Garcia to speak about Highway 126 safety issues.

Chair Garcia said that since the tribe was restored in 1984, it has worked on economic development and providing services to tribal members and the broader communities in which they live. One of the broader arterials used is Highway 126, which was once a wagon road that has since been converted into a major highway. With that has come a concern about safety and the potential for accidents there. Recent events, with a number of fatalities over a short period of time, underscore the importance of safety and the need to do everything possible to make this road safer. Garcia said more study is not the answer. He participated in a study to identify issues in 2003, and now is the time for implementation. We need to rethink this and look at ways to make Highway 126 safer, while still allowing for mobility when incidents occur.

Representative Paul Holvey welcomed the Commission to Eugene and thanked it for its work and the daunting task it undertakes to keep roads open and safe with diminishing funds. Hovey said safety has been a perpetual problem for Highway 126 and since he joined the legislature in 2004 he has push for improvement on this road. He talked about the Fern Ridge Corridor Plan, saying that we need to find some way to incrementally start safety improvements that would be consistent with the long-range plans for that corridor, so money isn't wasted on something that will someday be ripped out. As the population continues to grow across the state, this particular corridor is much more traveled than ever, pointing to worsening and worsening safety and mobility problems.

Senator Floyd Prozanski said he also supports the public safety corridor as something needing immediate action, but at the same time to not lose our perspective on what is needed for the long-term approach. This would be considered a special situation, understanding that this project has been lower ranked than some of the other projects in the region, and we need to recognize the need to have the ability to respond to projects not highly ranked within the ACT so they can be addressed. Lastly, he said one of the other things we need to consider is the Cushman area where some parts of the road are sub-level to the water and there is a significant problem with drainage and the highway being completely shut down until high tide passes.

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Director's Report

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Transportation Safety – Long-Term Study of Driver Education Students

Over the past seven years, the Traffic Injury Research Foundation and Northport Associates have worked in Oregon and the province of Manitoba Canada on a long-term study of teen drivers. It is the first major study of this type in more than three decades and was funded by NHTSA, the CDC, and the AAA Foundation.

In Oregon, the study was crafted to track the non-Driver Education teens and the Driver Education teens to compare the two groups. More than 90,000 teen driving records were reviewed for the study. The results were released during the Governors Highway Safety Association meeting on September 10, 2014. The findings for Oregon included:

- Driver education program participation was associated with increases in knowledge about the graduated driver licensing (GDL) system, knowledge of safe driving practices, greater self-reported driving skills, and more driving exposure.
- Analyses showed that [Oregon] DE teen drivers had lower adjusted crash and conviction rates. Completing the DE program was associated with significant decreases in the expected number of crashes by 4.3 percent and the expected number of convictions by 39.3 percent.
- This is made even more dramatic when accounting that these decreases are in addition to the overall number of decreases the implemented GDL program is responsible for in the state of Oregon.

The study supports the findings of an earlier study conducted in 2007 by NHTSA, where it was confirmed the DE teens have a lower crash rate, lower conviction rate and lower suspension rate than those teens that are solely taught by their parents. Bottom line, our investment in Teen Driver Educations and the disciplines embedded in the Graduate Driver License protocols are yielding dividends for Oregonians.

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Oregon Travel Experience Interim Chief Executive Officer Troy Costales

ODOT has a business relationship with the Oregon Travel Information Council related to the management, maintenance, improvement, and development of 28 rest stops in Oregon, mostly along Interstates 5 and 84. That relationship has strengthened to some extent with the appointment November 10 of Troy Costales to the role of interim Chief Executive Officer (CEO) of the Oregon Travel Experience agency. This is a request to assist another agency during their time of transition while hiring a new CEO and will run through January, 2015. While Troy is overseeing activities at OTE, the Safety Division's day-to-day responsibilities will go to Stacey Johnson and David Solomon.

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Award Winning U.S. 97 EIS Project

ODOT learned this week that the U.S. 97 Bend North Corridor EIS project won Oregon's WTS Project of the Year award. The EIS project received near-perfect scores in all categories. It represents a seven-year process that was able to overcome many challenges along the way,

and includes many improvements to U.S. 97 including multimodal components such as off-street multi-use paths, connection to transit, and a park-and-ride lot. Congratulations to Bob Bryant and Region 4 team leaders Amy Pfeiffer and Angela Finley.

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Legislative Days December 8-10, 2014

ODOT is preparing for the 3-day legislative engagement, which runs December 8 – 10. Presentations before the Senate Business and Transportation Committee will include:

- Update on project delivery
- Highway safety
- DMV (Customer Task Force and Service Transformation)
- Transportation funding at State and Federal levels
- Intelligent Transportation Systems
- Senior transit issues
- Cost of congestion
- AOC transportation needs analysis
- Economic impact of Oregon ports

Under the leadership of Government Relations Manager Leah Craft, the agency will be well prepared and look forward to the legislative engagement.

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Public Comments

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City of Veneta Mayor Sandra Larson said the nature of Highway 126 between Veneta and Eugene is reflected in the recent death of her friend, whose car crossed lanes with no barrier or median to prevent it, resulting in the death of a second person in the oncoming lane who had no place to go to avoid the collision. Since July, there have been seven accidents and ten fatalities on Highway 126. State Police has increased patrols in the area and ODOT plans to underwrite safety improvement to the 53-mile Florence/Eugene Highway that include additional enforcement personnel, more curb warning signs, rumble strips and other steps to increase safety. While these measures are most welcome, they will not be sufficient. Veneta seeks assurance that when resources are available, STIP improvements will be funded. In addition, they support accelerated completion of the NEPA environmental work and preliminary design for the preferred four-lane alternative identified in the adopted corridor plan.

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Mike Montgomery knows Highway 126 as both a lifetime resident and as a firefighter/paramedic for 23 years. Friends and family travel this road on a daily basis, and now his teenage daughter and next year his son. There is no quick fix, but there are decisions that can be made now to help decrease the terrible fatality history of Highway 126, such as increased traffic patrols, increasing visibility with more aggressive vegetation control, and

designating the highway as a safety corridor. He urged to Commission to make Highway 126 a high priority.

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Lane Fire Authority Fire Chief Terry Ney said that during the past 24 months, the Fire District has been called to 160 motor vehicle accidents on Highway 126, or one accident about every four days. There is no one, over-riding single cause for these accidents, so it's safe to assume there is no single fix. Ney urged the Commission to start fixing as many of the causative factors as it can, and to search for funding to make this a safe highway for our citizens to travel.

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Eugene Transportation Planning Manager Rob Intveld talked about projects of statewide significance and the next STIP process. In addition to replacing ODOT's Modernization Program, the STIP also replaced the Safe Routes to School, ODOT Ped/Bike Grant and the Transportation Enhancements programs. The programs mainly funded walking and biking programs at the local level. Over 40 percent of trips in urban areas are under two miles; the kinds of trips that can be achieved by walking and biking if the right kind of infrastructure is in place. STIP ***Enhance*** is one of the key funding pools for these type projects, and the kind of infrastructure that supports these short trips is usually local and not of regional significance. But these projects need to be funded. Intveld talked about *Connect*Oregon V and said the Bike Share Program transcends the different categories of *Connect*Oregon V.

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Connect*Oregon *V Location Change Request

The Commission considered approval of a request to change the location for the *Connect*Oregon V White's Hauling and Farm LLC Transloading Rail Site project. The request was presented by ODOT Transportation Development Division Administrator Jerri Bohard and ODOT Freight Mobility Manager Chris Cummings. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:
At the Oregon Transportation Commission meeting in August 2014 the Commission approved 36 ConnectOregon projects for funding. Of those 36 projects, White's Hauling and Farm LLC (White Hauling) was awarded $841,320 to construct infrastructure necessary for a truck-to-rail transload facility in the City of Dallas. The project would allow local businesses and agricultural producers to access external markets via rail. Initial screening by the ConnectOregon Review Committee produced the following ranking for the project:

- *Rail - 7 of 18*
- *Freight - 3 of 30*
- *Region 2 - 7 of 30*
- *Final Review Committee - 14 of 104*

White's Hauling submitted a Request for Change Order (RFCO) to move from its originally approved location in the City of Dallas to a different location in the City of Independence. This RFCO is based on White's Hauling recent identification of previously unknown environmental issues at the original location in Dallas. Additionally, White's Hauling states that the original cost associated with the Dallas site has increased due to improved market conditions. The proposed site is located at 510 Hoffman Road in the City of Independence and has been certified "shovel ready" by Business Oregon. Cost associated with infrastructure improvements will remain the same as the original proposal as both sites are relatively similar. White's Hauling match will increase with the proposed Independence site due to property acquisition costs of $3 million.

ODOT has an internal multi-tiered process for reviewing Requests for Change Order. Recipient requests are initially submitted to the ConnectOregon program manager for review. The program manager reviews with appropriate technical staff and either approves or forwards to the ConnectOregon Oversight Committee for further consideration. The ConnectOregon Oversight Committee is comprised of Oregon Department of Aviation Director, Business Development Department Deputy Director, ODOT Assistant Director, ODOT Rail Division Administrator, ODOT Planning Section Manager, ODOT Debt and Investment Manager, and ODOT Freight Planning Program Manager. RFCOs of a minimal nature such as limited schedule changes can be approved by the program manager. RFCOs of a more substantial nature, such as changes to timeline or scope, are reviewed by the ConnectOregon Oversight Committee and either approved or forwarded with a recommendation to the Director. RFCOs that involve changes to the original intent and purpose of a project or other major changes are considered by the Director. The Director has the option to either approve or forward RFCOs to the Commission. As the White's Hauling RFCO involves a change of location from one city to another, the Director has opted to forward this RFCO to the Commission.

During the RFCO review process for White's Hauling, staff reviewed the viability of the project in the proposed location and any impacts it may have on the project's original intent and purpose. In doing so, staff has contacted multiple stakeholders to seek their input. ODOT rail staff has indicated that the new location will not negatively impact the project. After receiving a presentation by ODOT staff and White's Hauling, the Mid-Willamette Valley Area Commission on Transportation stated that the project would receive the same review ranking regardless of the geographic location.

White's Hauling has provided updated stakeholder letters of support, an agreement of sale with the current property owner, and an updated budget. Updated project support letters indicate that the project will serve the same stakeholders in either location. As the proposed location is closer to mainline rail service it is likely to be a more operationally efficient and cost effective site. Inasmuch, staff has determined that the location change will not alter the original intent and purpose of the project and recommends the Commission approve the RFCO.

Upon a decision by the Commission, staff will take the appropriate actions to implement the necessary changes to the recipient grant agreement. White's Hauling will have 180 days from original OTC approval to execute the agreement.

Presentation:
Chris Cummings introduced the item with a brief background of the project, an explanation of the change order process, and the reason for the change in location.

Discussion:
Chair Mater opened the discussion to public comments. Comments were received from:

Cody White said the project applicant, White's Hauling and Farm, is very committed to this project and its success. If the Independence site does not work, they will go back to the Dallas site and address hurtles there.

Jackie Hastings represents White's Hauling as a consultant hired in response to the Regional Team's comments on things it wanted to see instead of the application submitted two cycles ago. Hastings was hired to see how the existing grain operation could benefit by doing more than just grain for farmers. It opened up an opportunity to benefit timber, steel, and various other commodities. Subsequently, issues arose with the Dallas site and negotiations with the Independence site started. The Independence site mill would allow White's to be operational in a very short period of time and an immediate impact on Oregon's highways by reducing the number of semi-truck traveling up and down Interstate 5.

Commissioner Lohman said it is apparent the Independence location makes more sense, and it's clear the intents and purposes, or goals and objectives are the same. His question is whether the scope and nature of the project is different enough now that the project should come back to the next round of *Connect*Oregon. The fact that the project has already been approved, and the changes and new opportunities have come about in this 120-day period after approval, leads him to be supportive of the project.

Chair Mater said her question comes back to the heart of the initial application process and the fact projects are required to provide documentation of construction readiness. Jackie Hastings pointed to the fact the project, as submitted, really did not meet that compliance requirement of being construction ready at the Dallas site. While Mater agrees that the new site and the technical and supportive details of that site do make it a far more attractive project offering, she again questions the fairness of the onset of the application process and the review process.

Commissioner Baney said this is a good time to have the discussion and that site selection, in terms of project development, is certainly something that should be secured before applying. There is the fairness issue that it appears that keeping their options open was something that was afforded to this project, and not everyone played with that same understanding when applying. The project has the components and scope looked for, but the fairness issues must be taken into consideration.

Commissioner Morgan said that in her analysis, the project is still the same. The scope and purpose are the same, the only thing that has changed is the location. Having worked on several projects in her area and trying to find places to put things, she is aware of the fact that things do come up when looking at land. The moniker Business Oregon puts on shovel-ready land doesn't really mean you are ready to put a shovel into the land. There are a lot of issue

around things like wetlands that you can't even begin to settle until you know the footprint of the development and how it will fit on the land. The point raised about fundamental fairness is a good one, but the overriding issue is that this is essentially the same project, in a different location, that will have the same benefits as the original project. This project has been in the *Connect*Oregon cycle for more than one round and addresses the interconnection between the road system and the rail system, a critical piece of the infrastructure that needs to be developed in this state.

Business Oregon Business Development Officer Mitchell Gee said that from Business Oregon's perspective, the change is merely a location change, and the six/seven mile change in location is not a significant factor.

Chair Mater again stated that she grapples with this because projects should meet all aspects of the five considerations required of *Connect*Oregon applications. We are running into additional problems with other *Connect*Oregon V projects in these exact same areas. When the law says a project is supposed to be project ready, then she expects due diligence be done sufficiently to withstand any credibility test, environmental aspects notwithstanding. Mater said her decision will be to vote no on this project. Not because she believes it would not be a good project, because she absolutely believes it is, but because with all the other problems that seem to be coming up with *Connect*Oregon projects, we need to send a message that we mean what we say about projects being able to pass the creditability test.

Jerri Bohard explained the system of assigning points to a project based on a project's readiness to start construction, and the assignment of negative points if the property is not owned by the applicant. It is not a unique situation for the property to not be owned by an applicant, or for failure to come to agreement between the property owner and applicant to result in changes.

Commissioner Baney said the issue is how to provide clarity of the Commission's intent and desires as projects are vetted. The way projects were approved in the past, and the way we worked with our partners to bring projects to fruition, is different than the clarity we are trying to promote from this side forward. Baney doesn't disagree to moving forward in that manner; it's that she would hate to have the Commission appear to be changing direction midstream. The fact that the Area Commission of Transportation (ACT) supports the project is the deciding factor for a yes vote. To have a good project held up by a formality is not in the state's best interest, and she would prefer to make changes of clarity at another time.

Action:
Commissioner Baney moved to approve the recommended amendment to allow the project to proceed with the relocation. The motion passed with yes votes from Commissioners Lohman, Morgan, Baney, and Simpson. Chair Mater voted no.

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*Connect*Oregon *V Completion Proposal*

The Commission considered approval of a proposal for completion of the *Connect*Oregon V project selection process. The proposal was presented by Jerri Bohard and Chris Cummings. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:
The 2013 Oregon Legislature authorized $42 million to fund ConnectOregon V with the Oregon Transportation Commission (Commission) as the awarding authority. After a multi-tiered review process conducted by ODOT staff, modal and regional committees, and a Final Review Committee, the Commission received a recommendation to fund 37 projects and program administration at a total of $42,369,189.63. Of this amount, $500,000 was authorized for program administration costs. Additionally, $369,189.63 above $42 million was realized from previous project savings and loan repayments.

After a public hearing during the Commission's July 2014 meeting, the Commission deliberated project funding at its August 2014 meeting. The Commission approved $40,369,189.63 in funding for 36 ConnectOregon V projects and program administration. Additionally, since the Commission's original approval, the Columbia River Pilots Association has withdrawn its $949,608 request for the Columbia River Underkeel Clearance project due to previously unknown technical issues. As $42 million was authorized by the Oregon Legislature, the OTC is required to allocate the balance of $2,580,418.37 to projects. Inasmuch, the Commission instructed ODOT staff to return at a later date with a recommendation for awarding the remaining funds. Staff is also in the process of evaluating total savings realized from underruns of previously awarded projects to be included in the current award process. To assist the Commission with project selection, staff is proposing to reconvene the ConnectOregon V Final Selection Committee to review ConnectOregon project applications and submit a funding recommendation to the OTC. The process will consist of the following:

Review:
- *Final Selection Committee will review non-funded project applications ranked in the top two-thirds of the average committee ranking from the initial review process. Projects ranked in the bottom third were generally not received well by review committees. Inasmuch, the committee will review 35 projects.*
- *Staff will electronically solicit information from each applicant of the 35 projects regarding continued interest, project changes, and schedule updates.*
- *The Final Review Committee will not be required to consider 10% regional allocation requirement as it has been met for all regions.*
- *The Final Review Committee will be instructed to use ConnectOregon selection considerations as it has previously to develop a prioritized list of projects (1 through 35).*

Schedule:
- *Final Review Committee: One full day during the week of January 5, 2015.*
- *Commission: Public hearing and project selection during the January 15, 2015 Commission meeting.*

Upon approval of the proposed review process by the Commission, ODOT staff will take the necessary steps to enact the process.

Discussion:
Chris Cummings requests the Commission authorize a process to take the remaining 35 projects on the list back to the Final Review Committee on January 7, for a recommendation back to the OTC on January 15. He also proposed that applicants be asked some questions that have been approved by legal counsel, such as, do you still want the grant, has anything changed with your scheduling, and items along those lines. As those questions are developed, they will be sent to every applicant. Staff will continue to work with legal counsel to assure they are not over-stepping bounds.

Public comment was received from Mary Stern who spoke on behalf of the Association of Oregon Counties (AOC) in requesting the list of *Connect*Oregon projects be sent back to the "Super ACT" for further consideration. AOC supports the OTC in ensuring the best projects are selected to meet the most critical needs of the state transportation system.

Commissioner Lohman said there are three sets of questions that have been raised.

1) Readiness. Does the Berth 2 project make sense without the Port of Morrow project? Will the project readiness issue be resolved any time soon? Is the port ready and committed to pay the match money even without a private partner?
2) Procedural fairness. Are we not giving the bottom third of the projects an opportunity to be considered? Is it fair to give the opportunity to one project that was turned down? Is it fair to give one applicant more opportunities to make their case, with perhaps, relaxed readiness requirements? Is it at all appropriate to consider the commodities involved? Should the Commission's decision making be limited to approving the solicitation in the selection process, and then just accepting the outcome and not exercising its judgment?
3) Overarching Issues. Is the Berth 2 project good for the economy? Is it good for Oregon shippers and the rail system? Is it good for the communities along the Columbia River? Is it good for the nation's supply of strategic natural resources? Is it good for the climate?

Lohman said he could see reasons for going ahead and approving this staff proposal, and he can see some pretty strong reasons for not doing so. If we do go ahead, we need to be very clear with the review commission, and with all the applicants, what the big issues are that need to be resolved.

Commissioner Simpson agreed with Commissioner Lohman's comments on fairness in the process. But at the same time, it's also important that we consider the expertise and the time staff has put into these recommendations. If this should go back to the review committee, it should definitely be looked at through the lens of the questions and the issues the Commission raised at the Ontario meeting. To get to the next step in this process, it would make the most sense that the review committee utilizes those concerns as a platform to vet this one last time.

Commissioner Baney said she supports the staff's recommendation to send this back to the review committee. But by no means does she want to give the importance of the decision-

making that occurs on the Commission to that body, and she want to make sure that the project list submitted back to this body is one in which the concerns that have been raised have been addressed, but also is looking at the statewide significance and opportunities for economic importance to be met through the investment of the limited funds we have. Commissioner Baney said she worries that the scrutiny given to this particular project is not the same scrutiny given to other projects, and she believes the questions that have been raised are better suited to the 180-day contract development period. Baney said there is enough information in the record that the need is there. It's consistent with statewide systems plans and improvements that are needed and she supports the project being included.

Commissioner Morgan said she also supports the staff recommendation and believes there is a huge issue on procedural fairness. The scrutiny given to one application was not applied to all the applications. We need to be very careful to stay away from adding criteria to project selection that isn't part of the *Connect*Oregon program. The politics around this are extremely complicated, and all of us acknowledge that. One of the most important things we have to do as Transportation Commissioners is to make sure we are within the set statutory and rule boundaries. As we consider all of these projects, and move them forward to the final review committee, we must be very careful to not put restrictions or expectations on their deliberations that are not within the bounds of what *Connect*Oregon is.

Chair Mater said that being the newest member of the Commission and having just been appointed to the Commission, she felt it was her responsibility to really listen to the public comments with an open ear, and what she heard was that the Berth 2 and A Street projects weren't construction ready. She proposes a recommended attachment sheet that, should the Commission decide to approve staff's recommendations including Berth 2, that that recommendation include an amendment the Berth 2 project goes back to the State Review Team when they have their meetings and that the review team understands that she expects due diligence in each area listed. She has drafted a copy of this "concern" sheet that will require the review team to speak specifically to her concerns addressed as a baseline for denial. There are five areas of concern; matching funds requirements, changes in the urgency of a project, construction readiness, statewide significance, and competing interests to economic development. Chair Mater said she ran the attachment through Karmen Fore, who indicated the Governor approved it. Mater asked for a motion.

Commissioner Baney said that in stating that the Governor has approved the attachment, are these the wishes of the Governor for consideration, or are these the wishes of this body for consideration? Chair Mater responded that she thinks the phrasing is that these are the concerns the Commission identified in Ontario as the key reasons for denial of the project. The Governor reviewed this document and signed off on it. She can't tell any more than that.

Karmen Fore said the governor did review the document and saw it as questions the Commission itself wanted to ask of the Final Review Committee. He was fine with the Commission wanting to seek further clarification on an individual project as a procedural matter as part of the Final Review Committee's work.

Commissioner Lohman said he would have to vote no on the motion if he didn't have an assurance that the Final Review Committee would wrestle with these issues. With this, in the interest of trying to work out something as reasonably as possible, he would probably vote yes. He said he does have reservations about keeping the debate going even longer.

Chair Mater said she still did not have a motion on the table, and asked if she could make a motion.

Commissioner Baney asked for further discussion on the proposed document, saying she had significant heartburn over item number 5, "The Impact on Rail Congestion in Question", which says, Columbia River ports already handle a significant share of the nation's exported bulk products, much of which arrives in the ports by rail. Rail shipment of oil along the Columbia River already significantly increases the extent to which coal shipments to the Port of Morrow cause additional problems for getting bulk products from Pacific Northwest and Midwest sources to the Columbia River ports. This factor needs to be considered in evaluating the Berth 2 project. Baney said her concern is that, during the conversations when being asked to sit on the Commission, she did not bring the expertise to be able to discuss commodity along the rail, or which commodities should be allowed within the State of Oregon, or regulated not within the State of Oregon as her prevue on this body. She worries that we are specifically calling out one commodity and whether or not it creates the congestion issue, and if that doesn't also play into any other congestion issues in the State of Oregon for any commodity on any mode. She worries that we are again possibly overreaching in our role as the Transportation Commission in reference to the other sister agencies that regulate commodities within the state.

Commissioner Lohman said he did not believe item number 5 has anything to do with commodities, but has to do with the transportation system and the impact of congestion in the transportation system on our economy. That's what *Connect*Oregon is all about, and he strongly disagrees that that is an inappropriate thing for us to be considering. It may be the most important thing for us to be considering.

Commissioner Morgan said she agrees with Commissioner Baney that the impact of rail congestion may not germane to this discussion, but considering that these are to be referred to the Final Review Committee as their considerations in reaching a deliberation on the project rankings, moving this forward is not an issue.

Action:
Commissioner Morgan moved to accept the agency recommendation, and attach to it Chair Mater's issues for consideration for the Final Review Committee. Commission members unanimously approved the motion.

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Draft Oregon Transportation Options Plan

The Commission received a presentation on development of the Draft Oregon Transportation Options Plan and considered releasing the draft plan for formal public review. ODOT Rail and Public Transit Division Administrator Hal Gard, ODOT Principle Planner Michael Rock, and Commute Options for Central Oregon representative Jeff Monson gave the presentation. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:

Policy Advisory Committee - The Transportation Options (TO) Plan is a new statewide topic plan that establishes a vision and policy guidance to integrate transportation options (TO) (defined below) in local, regional and state transportation planning, programming and investment. The Oregon Department of Transportation (ODOT) worked closely with a Policy Advisory Committee (PAC) to guide development of the Draft TO Plan. The PAC includes stakeholders from around the state representing interests of active transportation, public health, the business community, freight, local jurisdictions, and existing TO and transit providers. The PAC is Co-Chaired by Jerri Bohard, ODOT Transportation Development Division Administrator and Hal Gard, ODOT Rail and Public Transit Division Administrator. Ten PAC meetings were held from September 2013 through September 2014. During its latest meeting, the PAC reached consensus that the draft plan was ready to forward to the Oregon Transportation Commission (OTC) for consideration and recommends its release for public review.

Defining Transportation Options - Historically, "Transportation Options" was referred to as "transportation demand management" or TDM, focusing on managing demand of the transportation system particularly during the commute period (e.g. carpooling, high occupancy vehicle lanes, etc…) The TO Plan extends the definition to recognize the broader benefits that TO strategies provide and defines TO as facilitating transportation choices to meet the needs of residents, employees and visitors alike. "Transportation Options" themselves are strategies, programs, services and investments that enhance traveler opportunities, and encourage efficient transportation choices to walk, bike, take transit, drive, share rides and telecommute. Transportation options are an inherent component of the Oregon Transportation Plan (OTP) and ODOT's Intermodal Oregon efforts. Developing a new topic plan provides the foundation for more robust implementation of TO programs, strategies and investments in the future.

Draft Plan - The draft plan was developed as a user friendly online and print document, with final design allowing for a low cost print option for the plan. The main sections of the draft plan are:

- *Chapter 1: Introduction*
- *Chapter 2: Existing Conditions*
- *Chapter 3: Challenges, Trends and Opportunities*
- *Chapter 4: Vision, Goals, Policies and Strategies*
- *Chapter 5: Plan Implementation*
- *Plan Appendices*

Draft Plan Milestones - Development of the draft plan was an iterative process built upon background information and interim work products, many of which are highlighted below.

Several of the milestone areas have links to the latest documents as reference materials if there is further Commission interest.

- *Transportation Options Plan Scope - Agreement on the scope of items covered in the Plan was an important step since TO actions and programs play a role in many different transportation and community programs and objectives. The Project Team worked with the PAC on a document, commonly referred to as "What's In, What's Out?" to help define the scope and potential topics early in the project.*

- *Stakeholder interviews were conducted across Oregon and surveys sent to other stakeholder groups to obtain information, document programs and identify issues and opportunities for TO. Stakeholder contacts included public and private TO providers, including vanpools, ODOT staff, other state agencies, university representatives, advocacy groups, tribal governments and TO program users from each region. A Stakeholder Interview Summary highlights much of the input received, which was also incorporated into the Issues and Opportunities document described below.*

- *Existing Conditions - As an outcome of interviews with TO providers and direct research, an assessment and report of existing TO programs was developed. The Existing Conditions report documents statewide programs as well as programs specific to each region. The report informs the Draft Plan and will serve as a standalone technical document for future work.*

- *Best Practices Reports - The Project Team has developed a paper researching and reviewing best practices for TO across the nation in several topic areas. The Best Practices Report highlights the business case for TO, state and regional program coordination, TO technology, funding, governance, and TO integration. A separate white paper considers vanpooling practices in more detail. Several best practice examples and concepts are highlighted in the Draft Plan to provide additional context.*

- *Issues and Opportunities - A memo cataloging issues and opportunities for TO across Oregon was developed in close coordination with the PAC and vetted through stakeholder review. This Issues and Opportunities document is organized by draft goal area and served as a framework for the Draft Plan's policies and strategies.*

- *Draft Vision - The PAC developed a Draft Vision to guide overall TO Plan development states:* Oregon's state, regional, and local transportation systems provide travelers of all ages, types, and abilities with transportation options to access goods, services, and opportunities across the state. Public and private investments in a range of transportation options strategies, programs, and services provide travel choice for Oregonians and improve the efficiency with which people and goods move through the transportation system. People in Oregon have greater opportunities to travel and can readily access information to choose the options that best meet their transportation needs, budget, and preferences. By using efficient transportation options, people improve the economic, human, community, and environmental health in their communities.

- *Goals, Policies and Strategies - The PAC devoted much of their review and discussion to Chapter 4, which includes the Draft Plan's goals, policies and strategies. Specific policies and strategies are organized around ten goal areas covering:*
    - *Safety*
    - *Funding*
    - *Accessibility*
    - *Mobility and System Efficiency*
    - *Economy*
    - *Health and Environment*
    - *Land Use and Transportation*
    - *Coordination*
    - *Equity*
    - *Knowledge and Information*

- *Focus Groups - Seven Focus Groups were assembled to review various elements of the Draft TO Plan's policies and strategies. The topics included: Health and Insurance, Human Services, Outreach and Education, Return on Investment, Ridesharing, Safety, and Technology. The Project Team used input from the Focus Groups to revise the draft policies and strategies, which were shared and discussed further with the PAC.*

- *Business Case - The Policy Advisory Committee reviewed and discussed elements of the Transportation Options "Business Case" considering how investments and strategies in TO can help address challenges and opportunities facing transportation and Oregon overall. The business case work informed several sections of the Draft Plan.*

- *Performance Measures - Understanding the importance of measuring overall progress for the TO plan and for TO investments and strategies, the PAC discussed potential performance measures in detail during development of the Draft Plan. Ultimately, the PAC recommended three performance areas to consider at the statewide plan level, while recommending that program level performance measures be considered during plan implementation work later on. The draft measures included are:*
    - *Number of transportation options staff per capita*
    - *Motor vehicle miles traveled per capita*
    - *Percent of trips that use a mode other than driving alone during the peak hour*

Public Review and Next Steps - Pending Commission action to release the draft plan for public review, staff will provide notice of the draft to interested parties and post the materials for the public. Staff will concentrate review efforts on Area Commissions on Transportation, advisory committees, and interested stakeholder groups through a process that follows the Commission's public involvement policy. A public hearing will be scheduled for the Commission's January 15, 2015 meeting in Salem to allow interested parties an opportunity to speak directly to the Commission. The formal public comment period will close on January 30, 2015. While a minimum 45-day review period is required for statewide plans, staff recommends an extended review period for this project given the holidays and meeting schedules for interested groups. Staff will compile comments and share the input and recommendations at anticipated final PAC meeting in

February 2015. Following final edits to the draft plan, staff will present the document and the draft "Findings of Compliance with State Planning Goals" to the Commission for potential adoption. This action is anticipated at the April 2015 Commission meeting. Additional information is available on the TO Plan project website at: http://www.oregon.gov/ODOT/TD/TP/Pages/toplan.aspx.

Discussion:
ODOT Rail and Public Transit Division Administrator Hal Gard introduced ODOT Principle Planner Michael Rock and Executive Director for Commute Options for Central Oregon Jeff Monson. They provided an update on work done the past year to develop Oregon's first statewide Transportation Option Plan. It is also the first Transportation Option Plan in the nation. They are requesting the Commission release the draft plan for the formal public review period. Gard talked about how the plan came about and the Policy Advisory Committee, which met ten times to develop the plan being presented.

Jeff Monson led the presentation on transportation options. Highlights included:

- A lot of time was spent on the definition of transportation options, which boils down to encouraging efficient transportation choices. Previously known as TDM, Transportation Demand Management, the focus on reducing demand on the highway system has evolved into a variety of transportation options (TOs), opportunities to choose different travel options to meet diverse travel needs.
- Economic growth relies on an efficient transportation system where freight haulers and commuters can depend on reliable travel times.
- There is increasing public health concerns about emissions.
- Working to engrain TO in school districts, parks, and the MPO's.

Michael Rock continued the presentation. Highlights included:

- Plan milestones include issues and opportunities, best practices, draft vision and goals, focus groups, and performance measures.
- The plan has 5 chapters:
    1. Introduction
    2. Existing Conditions
    3. Challenge, trends and opportunities
    4. Vision, goals, policies and strategies –include safety, funding, accessibility, mobility, economy, health and environment, land use, coordination, equity, and knowledge and information,
    5. Plan Implementation
- Draft performance measures include number of transportation options staff per capita, motor vehicle miles traveled per capita, and percent of trips that use a mode other than driving alone during peak hours.

Hal Gard closed by requesting approval to release the draft for public review and schedule a public hearing for the January 15th OTC meeting. In addition, staff requests an extended comment period, beyond the normal 45 days period, to accommodate the holidays.

Commissioner Lohman said this is a very important plan. Transportation options is a phrase we need to use and understand more. It comes down to primarily maximizing the capacity and efficiency of the existing transportation infrastructure, and also enlarging opportunities for people to get where they want to go. And it's not just about infrastructure; it's about getting people to think different.

Commissioner Baney participates with the Bike/Ped Plan and said that, in the future, she would like to have the opportunity to look at the cross-pollination of the plans. The goals tend to be very similar to what they are finding in the Bike/Ped Plan, and she want to make sure we are not duplicating and that we're actually collaborating in the appropriate ways to really move the mission forward.

Action:
Commissioner Baney moved to approve release the draft for public review, conduct a public hearing January 15, and to extend the comment period past 45 days. Commission members unanimously approved the motion.

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U.S. 20 PME: UPRR – Eddyville Annual Report

The Commission received an informational presentation about the U.S. 20 PME: UPRR – Eddyville Annual Report from ODOT Region 2 Manager Sonny Chickering and ODOT Area 4 Manager Amy Ramsdell. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:
The U.S. 20 PME: UPRR – Eddyville design-bid-build project has been split into multiple phases and is on schedule to open to traffic in 2016. Phase 3 of the project is currently under construction, and spans two construction seasons, 2014 and 2015. The final construction phase is scheduled for 2016.

Coordination with Federal Highway Administration - The project team continues to collaborate with Federal Highway Administration (FHWA) staff. ODOT's goal is to achieve the highest factor of safety that is economically feasible. As we move towards completion of the project we will continue to coordinate with FHWA.

In May 2012, the design-build contract with Yaquina River Contractors was terminated through a negotiated settlement. An ODOT design-bid-build team was assembled and the first phase of work was bid on May 31, 2012. The first phase included approximately 35 miles of horizontal drains. In January 2013, ODOT staff presented information to the Oregon Transportation Commission regarding the cost to complete the project. The Commission approved the recommended "observational approach" which allowed the team to break the project into phases and gather additional information from ground and water monitoring instruments installed in

2012. The estimated cost to complete the project was $164.673 million for a total project cost of $365.768 million. The Commission also approved a 2016 completion date.

The multiple phases allow the design team to observe mitigation measures and make modifications as necessary with each phase. An additional benefit of the observational approach is that it has resulted in smaller contracts which provide an opportunity for more Oregon contractors to bid on the different phases. One large contract to complete the project would have limited the bidding pool.

- *The first phase was awarded in 2012 and included installation of horizontal drains, removal of structures and construction of buttresses. The total cost was $14.497 million.*
- *The second phase was awarded in 2013 and included culvert installation, additional horizontal drains, test fills and more buttresses. The total cost was $34.737 million.*
- *In addition to the second phase, a contract was let in 2013 that made safety improvements to the existing highway alignment. A temporary curve at the eastern project limits was modified, speed feedback signs were installed and striping and delineation were improved. The total cost was $1.329 million.*
- *The third phase of the contract was awarded in 2014 and includes over 2 million cubic yards of earthwork. The estimated cost of this phase is $56 million.*
- *In addition to the third phase, a contract has been awarded to The Wetland Conservancy for fish passage mitigation. Work is on-going in the Yaquina Estuary and consists of placing land in conservation, removal of a dike and placement of large woody debris.*
- *In 2015 an environmental mitigation contract will be awarded to offset the environmental impacts associated with earlier culvert placement work.*
- *The final phase will be awarded in 2016. Current estimates for Phase 4 are $30 million. This number is higher than past reporting periods, but still well within the approved overall project budget. The team has identified additional work needed at the west end of the project to improve the safety of the new transition to the existing highway. This phase will complete the work necessary to tie the road in to the existing highway.*
- *All project phases will be constructed within the current overall budget of $365.768 million.*

The observational approach has worked well. Last quarter ODOT reported a modification at the Crystal Creek drainage. Instrumentation indicated additional landslide mitigation measures were needed. The team quickly assessed the movement, identified a fix and implemented it within the existing contract. We will continue to use this method throughout the course of the project. This flexibility allowed us to keep the work on track for opening the new alignment to traffic in 2016.

Discussion:

Region 2 Manager Sonny Chickering started the discussion by emphasizing a few points about the region and project. Region 2 is still on schedule to open traffic in 2016 and is continuing to collaborate with FHWA in reviewing developments on the project, mitigation measures, and new contracts for approval. The "observational" approach of this project, with numerous ground and water monitoring instruments in ground that continue to track data to help modify

designs, has been very successful, as has the method of using small contracts to do the work as opposed to one large contract.

Presentation:
Amy Ramsdell continued the presentation with a review of the different project phases, three of which have been completed. Design has started on environmental mitigation. Ramsdell explained the "Green, Yellow, Red" system of monitoring ground movement. Projected costs are still under budget, provided there isn't significant ground movement elsewhere.

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U.S. 20 PME: UPRR – Eddyville Annual Report

The Commission considered a request for approval to increase the construction authorization on U.S. 20 PME: UPRR – Eddyville Phase 3A from $1,645,605 to $2,545,605, advancing funds originally programmed for Phase 5 of the project. The total estimated cost of this project is $2,545,605. Sonny Chickering and Amy Ramsdell presented the request. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:
The U.S. 20 PME: UPRR – Eddyville project has been split into multiple phases and is on schedule to be open to traffic in 2016. There are two active construction areas currently underway, Phases 3 and 3A. Phase 3A involves removing overburdened soil in preparation for Phase 5 environmental mitigation. This letter requests a construction authorization increase using funds already programmed for Phase 3A. Phase 3A received favorable bids and the full programmed amount was not obligated. We are requesting an increase in the construction authorization to advance work originally scheduled to be performed in Phase 5, reduce costs, and ensure timely completion of the overall project.

Phase 3A is located on Brush Trail Road about two miles east of Eddyville. This phase involves the excavation of 111,000 yards of material in preparation for riparian mitigation that will follow in 2016. This additional Environmental Mitigation Phase (Phase 5) is currently in design. At the time Phase 3A was bid, mitigation under Phase 5 was only a concept and exact excavation quantities were unknown. Conservative excavation limits were set for Phase 3A to ensure we did not over-excavate the area. Phase 5 recently completed the Design Acceptance milestone. The plans indicate that an additional 85,000 cubic yards of fill will be removed from the Brush Trail Road property, which is estimated to account for over forty percent of a Phase 5 contract amount. The mitigation work involves elaborate fine grading to create riparian habitat, as well as to create channels and backwater refuge areas for juvenile fish during high water winter storm events. It is preferable to have the Phase 5 work done by a smaller contractor that specializes in mitigation contracts, rather than a larger contractor that is more orientated toward moving large amounts of dirt. For this reason, the department is requesting approval to shift this portion of the Phase 5 work, and add the newly identified excavation work to the current Phase 3A construction contract.

Advancing this work into the existing Phase 3A contract is anticipated to result in a net project cost savings between $250,000 and $365,000. Phase 3A was originally programmed with $3 million in construction. Favorable bids resulted in only $1.645 million being obligated. Staff are requesting to use the unobligated funds to increase the construction authorization from $1,645,605 to $2,545,605.

Discussion:
Region 2 Manager Sonny Chickering presented the request to increase construction authorization for one of the contracts. Phase 3A is removing overburden soil in preparation for some environmental mitigation. Because Phase 5 was not fully designed at the time this contract was let, we were conservative in the amount of material we wanted removed under the Phase 3A contract. Since that time, the Phase 5 design is now complete and we know the actual amount of material that needs to be moved, which does exceed the original contract amount. These are not new project funds; these are funds in the project budget that have not yet been allocated.

Action:
Commissioner Lohman moved to approve the increase construction authorization. Commission members unanimously approved the motion.

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Over lunch DMV Administrator Tom McClellan presented three items to the Commission.

1. The DMV Task Force on Transportation and Customer Service Efficiency. The group, which was created by the 2014 Legislature, made a total of 11 recommendations to the Legislature and ODOT. The primary recommendation was support for replacing the outdated DMV computer system. The second recommendation was to accept credit and debit cards, which is currently in process. There were also a number of technology recommendations such as publicizing current wait times at DMV offices online. Another major recommendation was to allow law enforcement to recognize a printed receipt for registration. This would encourage online registration renewal.

2. Measure 88 Driver card. The measure failed 2 to 1. DMV will not be issuing driver cards.

3. President Obama's Executive Action on immigration. This directs the Department of Homeland Security to increase the number of people who are in deferred status. It is similar to the recent DACA (Deferred Action for Childhood Arrivals) program. DMV concluded with that individuals receiving deferred status under DACA met the requirements for a temporary driver license. DMV will estimate what the increased workload of offering these cards will mean. Currently, Oregon Department of Justice attorneys are looking at the issue and if DMV deems individuals eligible for a license, they would receive a limited card that expires when their deferment expires.

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Lane Area Commission on Transportation (LaneACT) - Discussion and Biennial Report

The Commission participated in a panel discussion with members of the Lane Area Commission on Transportation, and considered approval of its biennial report, bylaws and work plan. Pursuant to Highway Division Directive HWY ORG 01-02, LaneACT is required to present a biennial report to the Oregon Transportation Commission (OTC). ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:
The 2009 Oregon Legislative Assembly enacted Senate Bill 944 (Section 1, Chapter 509, Oregon Laws 2009), requiring Lane County, in consultation with other elected local officials and with transportation stakeholders in Lane County, to develop a proposed charter for the formation of the Lane Area Commission on Transportation (LaneACT). The LaneACT Bylaws were approved by the OTC on November 9, 2010 and the first meeting occurred in February 2011.

The biennial report describes Lane ACT's accomplishments over the last two years and demonstrates how the ACT meets the OTC's "Policy on the Formation and Operation of Area Commissions on Transportation (ACTs)" and the Highway Division directive that implements that policy.

In preparation for this meeting, the Commission posed the following questions for the Area Commission on Transportation members to consider as part of the discussion.

1. *As the OTC, we struggle with the balance between maintaining the transportation assets we have and expanding the transportation system. What does this balance look like in the Lane area?*
2. *As we look to find new revenue for transportation, what are the key opportunities for transportation investments to help the economic situation here? What investments covered meet the statewide needs?*
3. *How do the roles of the ACT and advisory committees change in view of Governor Kitzhaber's direction to the Commission? What do you see as some of the opportunities and some of the difficulties in changing the model?*

Governor Kitzhaber's six principles to OTC (from Governor Kitzhaber's address to the OTC in August 2011)

1. *Do we have the right group of individuals at the table at the beginning of the process to define the problem and solution together?*
2. *Should ODOT manage or own the facility or would it be better managed for a diverse set of outcomes, by another agency or jurisdiction?*
3. *Are we creating programs that do not simply invest in the future of the transportation system but meet a multitude of community objectives?*
4. *Does each decision move us closer to a sustainable, safe, low carbon, multimodal system?*
5. *Does the decision maximize benefit for the least cost under the limited resources?*
6. *Finally, does this decision or policy move us closer to finding a more rational transportation funding mechanism for the future?*

Discussion:
ODOT Area 5 Manager Frannie Brindle introduced members of the Lane Area Commission on Transportation (LaneACT):

~ Dennis Ary, LaneACT member representing 126 East
~ Christine Lundberg, City of Springfield Mayor
~ Sid Leikin, Commissioner
~ Alan Zelenka, Eugene City Counselor
~ George Grier, LaneACT Chair-Elect
~ Ron Kilcoyne, Lane Transit District General Manager
~ Holly McRae, LaneACT bike/ped advisor
~ Martin Callery, LaneACT rail representative

George Grier started the discussion with some general comments on the Lane Area Commission on Transportation. LaneACT is the newest ACT and there was a lot of concern initially that rural representation was equally balanced with the metropolitan centers. This was monitored closely and has resulted in a great balance of stakeholder representation, which in turn leads to real quality discussions. The ACT focuses a lot of time on assuring members understand the issues, and ODOT's support providing that information has been very important. The experiment is working, and Grier said he is very proud to be a member of LaneACT.

Commissioner Baney said some parts of the state are not experiencing the same type of consensus as the LaneACT. She asked what message could be taken back to those struggling with how to add voice to a small area. George Grier responded that first you must understand that no single individual or stakeholder has all the answers, but that everyone has part of the answer and you have to be able to listen, and the only way you can listen is if you build trust. Relationship building is a critical part of building consensus.

Martin Callery said he was interested in seeing how an ACT, with a large metropolitan population, interacted with the rural areas. He has been very pleased with the LaneACT. Everyone listens and works to understand what the challenges are for a rural community versus the different types of challenges found in heavily populated metropolitan areas.

Chair Mater noted earlier comments about the difficulty of these safety projects hitting a high mark with an ACT's project recommendations. She asked if they were seeing that conflict in the LaneACT.

Sid Leiken said Highway 126 safety is a very high priority for the ACT, but the challenge they have is the dollars. They are phasing it in, doing some safety projects on a certain corridor. From a priority standpoint, this has risen to the top because it is not only a safety issue, it's also a major freight issue. When you look at the project as a whole, it's huge money, so they are trying to tackle some of the areas they can right now. Projects can be way down the line on scoring and formula, but from a local standpoint, be critical to a community or region like the Creswell Airport project. Funding is still pretty heavily on the urban side, and Leiken said he would like to see the Commission look at how it does the formula and scoring, and is there that

added component that means more locally than just throwing a number in the middle of the mix.

George Grier said there is concern when a project can come out of the region or ACT with a very high score, but then scores very low when it goes to the modal committee. There is concern about the amount of influence the modal committees have, influence that can conflict with the consensus priority that came out of the region. Another difficult issue for the Act that comes into the scoring aspect, is this issue of statewide significance. There is room for some adjustment in the historic definition of statewide significance. For example, Bend is not the biggest city in the state, but in terms of statewide significance, Bend is huge in the image of Oregon it promotes, the lifestyle and people it draws. If a local community can attract people and investments, that's of statewide significance.

Commissioner Lohman said these comment flag a discussion he wanted to have on STIP funds and the question next round of how much STIP money is going to be for ***Fix-It*** and how much is going to be for other new ***Enhance*** projects. There is a tendency on the part of legislators to look for the big glitzy projects that show they have accomplished something for their constituents over the less sexy ***Fix-It,*** maintenance and safety projects. We all need to help raise the level of the conversation about the importance of safety and making sure there is enough ***Fix-It*** money to truly address all the safety issues.

Christine Lundberg said Eugene and Springfield are both looking at urban growth boundary expansion, and along with that comes infrastructure, which is huge in terms of being able to grow economically. The hope is we get past the point where funding is so critical we can't even consider projects or it becomes something opposition used to work against us. We have to be able to balance out the ***Enhance*** projects to be able to grow.

Alan Zelenka said there is a balancing that needs to occur. The region does see modest urban growth boundary expansion in the near future, but most of what's in the local transportation plan are focused more toward maintaining and preserving the existing system. Maintaining that system so products can get to market is critical. However, the world is shifting to a more multimodal system, with young people taking the lead in a shift to lower carbon footprint type of transportation modes. We need to focus on not only maintaining what we have, but also keeping up with what others are showing us is where they are going.

Holly McRae said we have spent decades building infrastructure to support a certain mode of transportation, and investment in infrastructure to support alternative modes are slow to catch up. Part of what is difficult about engaging in meaningful conversation about this is the fact that those people are not in the room. It's hard to get people that don't even own a vehicle or that use alternative modes of transportation in the room. That being said, there are people like her that are in the room and are not elected officials, but rather someone in the community who is interested in active transportation and healthy communities. McRae said she is grateful for the opportunity and we are moving in the right direction.

Commissioner Lohman said Lane County has a reputation for doing it right in terms of transportation demand management. Staff in the rest of the state look at Lane staff as experts

in that area. He asked Holly McRae for her perspective on what we could be doing within the Transportation Options Plan to make transportation demand management better. McRae said oftentimes there are projects that have been in the queue so long that when they finally rise up, it's hard to inject into the conversation if this is really the right project, and is it still what is needed to reach statewide goals.

Commissioner Simpson asked if there has been any dialogue with the University on how to incorporate the younger generation into the conversation about how the multimodal transportation system should operate to accommodate them. George Grier responded that the discussion has started with younger groups, most recently, a partnership was created with the University of Oregon where the student body allocated several hundred thousand dollars to partner with the city on the *Connect*Oregon Eugene Bike Share project.

Ron Kilcoyne said one of the challenges in getting bike/ped folks involved is the perception you have to reach a certain level of experience to participate on a panel, and that millennials have not reached that level yet. The key is to create certain positions to be filled with younger people to get that input. One concept the ACT tries to promote is the idea of the "complete trip", which is to look at the entire experience a person has from the time they walk out the door until the time they walk in the door of their destination. If they are using any other alternative to diving alone the entire way, there are a lot of different entities they could be using in that entire trip. We need to keep integrating that further into our thinking processes and not just thinking of it as an aftereffect.

George Grier said when the initial project funding tiers came out, there was an extraordinary number of bike/ped projects that were ranked high enough that about 40 percent of the first cut went to bike/ped projects. Through the process, however, those numbers were pared down significantly. Grier said what he found most disturbing about the process was that this was the first time communities had come up with good projects and got behind them, only to systematically have to withdraw them because of the political pressure from all the multimodal stuff. The comment was made that this is a good example of how pent up demand brings things to the forefront. It's time to start funding bike/ped projects, and doing that catch up. That comment drew a huge amount of response from modal committee folks saying, get in line, we've been doing this forever and these project have to get in line. Grier said this is disturbing because lifestyle changes, health issues, and technology evolves much more rapidly than the pipeline for these huge infrastructure projects that are on the books for ten years, at which point they can be completely stale and not meet the needs of the community, versus real time projects people need right now. To say the people on the bike/ped committee were intimidated and shell-shocked does not do justice.

Alan Zelenka said he has a different perspective because he represents a county the size of the State of Connecticut, so he is out to protect a six billion dollar asset, with 417 bridges that are the lifeblood to economic development. This is where it gets back to the urban rule discussion brought up earlier. Quite simply, how do we bring together what's important for the major Eugene/Springfield economic development hub and at the same time make sure the smaller communities like Oakridge, Florence, Cottage Grove, Creswell, Junction City, and so forth are

protected as well. The legislature did a disservice by combining and bringing bike/ped projects into this because it becomes very political.

Martin Callery remembers the time when transit was brought into the *Connect*Oregon process, and as a member of the Freight Advisory Committee, he was asked look at how transit fit into the process. The answer was connectivity and looking at how transit connected the jobs. Adding bike/ped into *Connect*Oregon V has resulted in some of the same growing pains.

George Grier touched on earlier discussions about new criteria and suggested scoring projects based on the amount of vehicles they take off the road, which takes pressure off having to do ***Fix-It*** and safety issues. That is another paradigm we have not explored.

Christine Lundberg said there is a huge issue around connectivity when trying to make multimodal work. A big hurtle is connections. Whether you are getting off a train or a bus, there needs to be mobility hubs. We could promote those better so there are safe places to keep all the modes you need. A criteria focus of making better connections would be helpful in terms of what we're doing. The next generation behind the millennials is even more poised to use a new system.

Chair Mater closed the discussion by thanking all the panel members for their participation and input, and congratulated them for their great reputation as an ACT.

Action:
Commissioner Baney moved to approve the charter and biennial report. Commission members Lohman, Simpson and Mater unanimously approved the motion. Commissioner Susan Morgan was absent.

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South Valley Regional Solutions Team

The Commission received an informational update about the work of the South Valley Regional Solutions Team from ODOT Area 5 Manager Frannie Brindle and Office of the Governor Regional Solutions Team Coordinator Jackie Mikalonis. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:
Regional Solutions Centers (RSCs) are places for state agencies to collaborate with each other, local governments, and other public, private, and civic interests to solve problems and seize opportunities. Regional Advisory Committees – made up of Oregonians appointed by the governor from business, civic organizations, government, foundations, and higher education – identify priorities to guide the work in each of the eleven regions. The committees also help connect resources from the community to expand the State's collective capacity to solve problems and seize opportunities.

Governor Kitzhaber believes that to rebuild Oregon's economy, all of us—public, private, and civic partners—must work together. The State can no longer afford single objective investing. The RSCs allow regional leaders and citizens to leverage all available funding to complete the highest priority projects.

The Regional Solutions Centers are located at the universities in Bend, Medford, Eugene, Portland, Tillamook, and La Grande. Satellite offices are located in Salem, The Dalles, Klamath Falls, and Coos Bay. The eleven regions are as follows:

North Coast – Clatsop, Columbia, Tillamook Counties
Mid-Valley – Marion, Polk, Yamhill Counties
South Valley – Benton, Linn, Lincoln, Lane Counties
South Coast – Coos, Curry, Douglas Counties
Southern – Jackson, Josephine Counties
Metro – Clackamas, Multnomah, Washington Counties
Central – Crook, Deschutes, Jefferson Counties
North Central – Hood River, Sherman, Wasco Counties
South Central – Klamath, Lake Counties
Greater Eastern – Gilliam, Grant, Harney, Malheur, Morrow, Umatilla, Wheeler Counties
Northeast – Baker, Union, Wallowa Counties

Each region has an Advisory Committee appointed by the Governor (HB 4015). Current South Willamette Valley Regional Solutions Advisory Committee members:

- *Lee Beyer, State Senator – Convener*
- *Nick Fowler, Chief Executive Officer, Perpetua Power Source Technologies, Inc. and Northwest Medical Isotopes, LLC. – private industry*
- *Kitty Piercy, Eugene Mayor – League of Oregon Cities*
- *William Tucker, Linn County Commissioner – Association of Oregon Counties*
- *Casey Woodard, President, Casey Woodard Consulting, LLC; Board Member of Woodard Family Foundation – Philanthropy*
- *Commissioner Faye Stewart – Lane County*
- *Commissioner Doug Hunt – Lincoln County*
- *Commissioner Annabelle Jaramillo – Benton County*
- *Mayor Julie Manning – City of Corvallis*

- *Dr. Greg Hamann – President Linn Benton Community College*
- *Dr. Ron Adams – Interim VP of Research & Innovation, OSU*
- *John Pascone – President Albany/Millersburg Economic Development Corporation*

Regional Solutions Centers are staffed by Regional Solutions Teams composed of a representative from each of five state agencies: the Department of Environmental Quality (DEQ), the Department of Land Conservation and Development (DLCD), the Oregon Department of Transportation (ODOT), the Department of Housing and Community Services (OHCS), and the Oregon Business Development Department (OBDD). Other state agencies are added to the teams as needed for regional priorities. The teams are led by a Regional Coordinator who represents the governor as a catalyst for action in each region. State agency directors meet regularly with the governor to review and evaluate the RSCs' work based on the number of projects completed.

RSCs complete projects addressing the priorities identified by the Regional Solutions Advisory Committees (RSACs). Team members collaborate with each other, local officials, private citizens, and with other organizations to effectively complete projects. RSCs are also part of the Oregon Solutions Network which links them with the State's dispute resolution program, Oregon Consensus, and the State's collaborative implementation program, Oregon Solutions. For each regional priority, the coordinator develops a work plan including objectives, expected outcomes, agency involvement, targets, and milestones. Through collaboration, efficient communication, and strategic action, the RSCs work to achieve Oregon's most important economic and community objectives.

In addition to the co-located team members, other State agencies are represented by:
- *Melissa Murphy – Business Oregon Infrastructure Finance Authority*
- *Robert Ault – Business Oregon Infrastructure Finance Authority*
- *Patrick Wingard – Department of Land Conservation and Development*
- *Kirk Jarvie – Department of State Lands*

Discussion:
ODOT Area 5 Manager Frannie Brindle introduced the RST representatives participating in the discussion:

~ Jackie Mikalonis – Office of the Governor - Regional Solution Coordinator
~ Mary Camarata – Department of Environmental Quality
~ Jae Pudwell – South Valley Regional Solutions Team Member

Other members of the team not present were:

~ Ed Moore – Department of Land Conservation and Development
~ Sean Stevens – Oregon Business Development Department
~ Kim Travis – Oregon Housing and Community Services

Jackie Mikalonis said there is a great deal of added value having ODOT at the table when collaborating on key projects. We are starting to realize that the best individual efforts can't stack up against today's really complex and interconnected problems. That's where Regional Solutions comes in. We can't stay in silos and be successful. The Advisory Committee is a diverse, well-rounded group representing all areas of the state in both the public and private sector. This region has identified transportation

systems, all modes, as a priority, and that transportation is a significant economic development driver. The Commission reviewed a handout of several RST projects, and Mikalonis talked about the current priority project, Oregon Regional Accelerator Innovation Network (RAIN). Oregon RAIN is a collaborative effort that builds support for high tech startup businesses. The goal is to keep these businesses in the region so they don't move out of state.

Jae Pudwell said one of the projects that really illustrate how ODOT brings its experience to bare is in Lincoln County. ODOT's role is facilitator to bring all the parties together, as reviewer of technical and design issues, and to bring insight and creativity to a city/county project addressing a county road that floods four months of each year. RST provides a forum for all parties to come together in a constructive environment that allows everyone to understand the various differences between the different parties.

Mary Camarata said RST allows different agencies to work together on projects that usually come out the better for having everyone at the table at the same time. One example was in Benton County where wetland permitting was a very time consuming process. RST worked with all the different regulatory agencies to set up a pre-permitting process, cutting the time from a year to three or six months.

Commissioner Lohman asked who to talk to about the RAIN project. Jackie Mikalonis said Commissioner Lohman could talk to her for more information. RAIN was funded during the last legislative session and an executive director has been appointed. The regional accelerators are the first part of that, with "business" accelerators getting technical startups through a mini MBA program. The innovation network is now being built to connect the businesses with all the resources they need, including building pools of capitol. Mikalonis said she would connect Commissioner Lohman with RAIN's executive director for a more in depth presentation.

Director Garrett said the priorities that RST and the advisory committee come up with have taken on some significance, specifically for economic and community development agencies like ODOT. As the considerations for those priorities have filtered into the various programs for loans and grants, what's the working relationship with the ACTs, and on the other side of the coin now specifically looking at priorities in the area of transportation infrastructure investment, and how do we ensure that integration, or cross agency discipline is captured in the recommendations that bubble up from both groups. Jackie Mikalonis responded that this is a work in progress. One of the goals is to eliminate some of the silos that have existed before and making sure the RST advisory committees' priorities are set with good and valuable knowledge from their regions. Connectivity to groups like the ACTs assure consistency with the comprehensive economic development strategies of the EDA. Director Garrett said ODOT made a conscious decision to have high level agency representatives at the table to ensure we don't get conflicting sets of priorities, specific to transportation.

Frannie Brindle said that as proposals come up for ***Enhance*** funds and TGM grants, we could have RST and the advisory committee look at those to provide recommendations or endorsements for the ones that rise to the top of leveraging economic development for the region. Jackie Mikalonis said that would be very helpful from RST's standpoint.

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Consent Calendar

The Commission considered approval of the Consent Calendar. ***(Background materials in Director/Commission/History Center File, Salem.)***

1. Approve the minutes of the October 23-24, 2014, Commission meeting in Corvallis.
2. Confirm the next two Commission meeting dates:
    - Thursday, December 18, 2014, meeting in Salem.
    - Thursday, January 15, 2015, meeting in Salem.
3. Request approval to adopt a resolution for authority to acquire real property by purchase, condemnation, agreement or donation.
4. Request approval the following Oregon Administrative Rules:
    a. Amendment of 734-035-0010 and 734-035-0040 relating to removal of personal property from illegal camping on state highway rights of way.
    b. Adoption of 734-035-0200, relating to the designation and posting of department real property as closed to public entry.
    c. Adoption of 735-022-0065 relating to vehicle dealer expedited titling services.
    d. Amendment of 735-062-0005, 735-062-0007, 735-062-0010, 735-062-0015, 735-062-0030, 732-062-0040, 735-062-0096, 735-062-0110, 735-062-0125, 735-062-0200 relating to driver licensing provisions.
    e. Amendment of 735-170-0000, 735-170-0010, 735-170-0020, 735-170-0040, 735-170-0045, 735-170-0105, 735-174-0000, 735-174-0020, 735-174-0030, 735-174-0040 and 735-174-0045; the adoption of 735-170-0015, 735-170-0035 and 735-176-100 through 0210; and the repeal of 735-176-0000 through 0045 relating to the Fuels Tax program.
5. Request approval to authorize the Director to convey to the Legislative Assembly an adjustment to rates paid by Flat Fee Firms based on the attached Testing for Revenue Neutrality of Flat Fee Firms in Oregon (2013) Final Report prepared by Dr. Catherine T. Lawson.
6. Request approval to adoption the Oregon 99E Corridor Segment Plan as a minor amendment to the Oregon Highway Plan, and adoption of the findings of this plan's compliance with the Oregon Department of Transportation's State Agency Coordination Agreement.
7. Request approval to adopt the U.S. 101: Camp Rilea to Surf Pines Facility Plan as a minor amendment to the Oregon Highway Plan, including an alternative mobility target analysis methodology, and alternative mobility targets at six intersections along U.S. 101 and adopt the findings of this plan's compliance with the Oregon Department of Transportation's (ODOT)
8. Request approval to adopt the U.S. 199 Expressway Plan as an amendment to the Oregon Highway Plan and adopt findings of compliance in support of this action which are in Exhibit B.
9. Request approval of the following:
    (1) Adopt Resolution No. 554 establishing the route location and highway design for the Oregon 62: Corridor Solution, Unit 2 Phase 1 and 2 Section of Crater Lake Highway No. 62 in Jackson County (aka Oregon 62 Bypass);

(2) Amend the Oregon Highway Plan (OHP) to classify the route location for the Oregon 62 Bypass between Mile Point 0.89 and Mile Point 5.64 as a Statewide Highway;
(3) Amend the OHP to designate the route location for the Oregon 62 Bypass between Mile Point 0.89 and Mile Point 5.64 as an ORS 366.215 (Reduction in Vehicle Carrying Capacity) Freight Route;
(4) Amend the OHP to designate the route location for the Oregon 62 Bypass between Mile Point 0.89 and Mile Point 5.64 as an Expressway;
(5) Recommend to the Federal Highway Administration (FHWA) that the route location for the Oregon 62 Bypass between Mile Point 0.89 and Mile Point 5.64 be added to the National Network, National Highway System (NHS) and classified as a Federal Principal Arterial;
(6) Amend the OHP to remove the old route 62 between Mile Point 0.89 and Mile Point 5.44 from the state highway system upon day of opening of the OR 62 Bypass and/or jurisdictional transfer whichever occurs first; and
(7) Adopt the findings of compliance in support of these actions.

10. Request approval to adopt the Interstate 84/Patterson Ferry Road, Interstate 84/Army Depot Access Road and the Interstate 82/Lamb Road Interchange Area Management Plans and the Findings of Fact establishing consistency with state and local planning requirements. Adoption of these facility plans will amend the Oregon Highway Plan or the three existing interchanges that have potential to be influenced by the redevelopment plan and land use changes locally adopted for the reuse of the Umatilla Army Depot.
11. Request approval to amend the 2012-2015 Statewide Transportation Improvement Program (STIP) to add a new project Oregon 58: Salt Creek Viaducts (Phase 2) to complete the previous project, 20 miles east of Oakridge in Region 2. The project (Phase 2) will use the remaining $1,897,113 of funding from KN16035 (Phase 1), supplemented with an additional $4,795,887 OTIA III Bridge funds. The total estimated cost of this project is $6,693,000.

Action:
Commissioner Baney moved to approve the Consent Calendar. Commission members Lohman, Simpson and Mater unanimously approved the motion. Commissioner Morgan was absent.

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Chair Mater adjourned the meeting at 2:54p.m.

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Tour of West Eugene Express Bus (EmX)

Oregon Transportation Commission members and ODOT staff met in the Hilton Lobby at 3:00 p.m., and boarded a bus for the West Eugene Express Bus (EmX) Tour.

Unavailable for signature Catherine Mater, Chair	*Original signature on file* David Lohman, Member
Original signature on file Tammy Baney, Member	*Original signature on file* Susan Morgan, Member
Original signature on file Alando Simpson, Member	*Original signature on file* Roxanne Van Hess, Commission Support