OREGON TRANSPORTATION COMMISSION

Minutes of the Regular Monthly Meeting
August 18-19, 2016
Klamath Falls, Oregon

On Thursday, August 18, 2016, at 4:00 p.m., the Oregon Transportation Commission (OTC) and Oregon Department of Transportation (ODOT) staff held a panel discussion workshop with members of the South Central Oregon Area Commission on Transportation (SCOACT) in the Commissioner's Hearing Room #219 of the Klamath Falls Government Center, 305 Main Street, Klamath Falls.

That evening, at 5:45 p.m., a no-host dinner was held with members of the Oregon Transportation Commission, ODOT staff, and invited members of the South Central Oregon Area Commission on Transportation at Roosters Steakhouse, 205 Main Street.

On Friday, August 19, at 7:45 a.m., members of the Oregon Transportation Commission and ODOT staff participated in a tour of Oregon 140: Ritter Road-Deer Run Road (Bly Mountain) project. Participants met in the front of the Klamath County Government Center and departed at 8:00 am.

On Friday, August 19, at 10:00 a.m., the Oregon Transportation Commission (OTC) and Oregon Department of Transportation (ODOT) staff held a premeeting briefing session and agenda review at the Klamath Falls Government Center, 305 Main Street, in the Commissioner's Hearing Room #214. The formal monthly meeting was held in the Commissioner's Hearing Room #219 at 10:45 a.m.

● ● ●

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:

Chair Tammy Baney
Commissioner Dave Lohman
Commissioner Susan Morgan
Commissioner Alando Simpson
Commissioner Sean O'Hollaren
Director Matthew Garrett
Asst. Director for Public Affairs Travis Brouwer
Trans. Development Div. Admin. Jerri Bohard
Highway Division Administrator Paul Mather
Chief Administrative Officer Bob Gebhardt
Communications Section Manager Tom Fuller
Rail & Transit Division Admin. Hal Gard
Region 3 Manager Frank Reading
Region 4 Manager Bob Bryant
Civil Rights Manager Angela Ramos
Active Transportation Section Manager Mac Lynde
Traffic Engineer Bob Pappe
Commission Assistant Jacque Carlisle

Thursday, August 18

● ● ●

Chair Baney called the meeting to order at 4:07 p.m.

● ● ●

Welcome and Introductions
Workshop 1

The commission received an informational presentation on the Blue Zones Project in Klamath Falls from ODOT Region 4 Manager Bob Bryant, Klamath County Commissioner Kelley Minty-Morris and Blue Zones Community Program Manager Jessica DuBose. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:

This informational item provided an overview of the Blue Zones Project that is underway in Klamath Falls. The Blue Zones Project is a community-wide well-being initiative designed to make healthy choices easier based on principles identified by National Geographic researcher and longevity expert Dan Buettner. A large group of Klamath Falls residents attended the 2014 Oregon Healthiest State Conference in an effort to bring the Blue Zones Project to Klamath Falls.

With leadership funding by Cambia Health Foundation and a community match provided by Sky Lakes Medical Center, Blue Zones Project representatives conducted a community readiness assessment, during which they heard overwhelming support from community leaders, groups and hundreds of community members. The project was staffed with five local people tasked with initiation and facilitation of the project. The project has a 22-member steering committee made up of community leaders. There are multiple subcommittees charged with implementing improvements in more specific areas.

The Built Environment subcommittee is charged with assessing and improving the transportation system among other structures and systems to make the healthy choice the easier choice. The measures to complete are: implement four core best practices; adopt three short-term and long-term policies and projects; and implement one marquee project.

The project uses four levels of metrics to measurably improve the well-being of the community's residents:

1) *Pillars.*
2) *Progress and outcome measures.*
3) *Community-wide measures.*
4) *Gallup healthways well-being index.*

Presentation:

ODOT Region 4 Manager Bob Bryant introduced Klamath County Commissioner Kelley Minty-Morris and Blue Zones Community Program Manager Jessica DuBose who gave the presentation. Highlights of the presentation on the Blue Zones Project were:

- This project is about making the healthy choice, the easy choice, through changes in our built environment, through making our built environments more attractive so people want to live in our communities in the future.
- Blue Zones Project started with Dan Buettner, a National Geographic explorer and best-selling author. In 2004, he teamed up with the world's best longevity researchers to identify pockets around the world where people live longer, healthier lives. They

identified five places where people reach age 100 at rates 10 times greater than in the United States: Okinawa, Japan; Ikaria, Greece; Sardinia, Italy; Nicoya, Costa Rica and Loma Linda, California. These places were called Blue Zones.

- Nine commonalities were found in original Blue Zones; not just a "health" or "eating healthy" initiative, but an overall well-being initiative.
- Those characteristics, called the Power 9 lifestyle principles, are small, easy steps that everyone can take in their daily lives to feel better, live longer and be happier.
    - Moving naturally throughout the day.
    - Having the right outlook, which includes behaviors such as: downshifting which reduces the chronic swelling that is tied to most age related diseases, and having a strong sense of purpose, which research shows adds seven extra years of life.
    - Eating wisely, which includes drinking a little red wine every day, eating a plant-based diet, and striving for a low caloric intake.
- Connect – it's the foundation that everything else rests upon. That means putting your family first, having a strong sense of faith, which can add 4-14 years to your life, and choosing friends wisely. According to the Framingham research, our health habits are as contagious as the common cold.
- In all of the communities visited, each environment naturally promoted longevity by making the healthy choice the easy choice. The next step was to try to bring these lessons into American communities, to reduce the chronic diseases that are killing us on a daily basis, but what do we do? In the communities visited, it was not a weight loss program that they used to shed that extra holiday weight. Their environment lifestyle was set up to promote longevity. It was set up to make the healthy choice the easy choice and that is what the Blue Zones Project is trying to do here in the community.
- Klamath Falls is a Blue Zones Project Demonstration Community, working towards becoming a Blue Zones Certified Community. Cambia Health Foundation provided leadership funding to bring the Blue Zones Project to Oregon in support of Oregon Healthiest State, an initiative through the Oregon Business Council. The Blue Zones Project is administered by Healthways, Inc.
- Klamath Falls was selected as Oregon's first Blue Zones Project Demonstration Community, with a local funding match provided by Sky Lakes Medical Center and it is privately funded.
- A review of its successes.
- Klamath Falls is currently a demonstration community, with a goal of becoming a certified community within three years. The program is metric-based and community driven. The built environment will consist of implementing four best practices, adopting three short-term policies, and adopting two long-term policies.

Discussion:

Commissioner Simpson asked what the infrastructure was built of in terms of their walking paths in the six Blue Zones cities identified around the world. Was its multimodal system organic, natural, paved, gravel? What forms did they use in their infrastructure? DuBose said it varies some in the five original Blue Zones, and that all of those are used, but with a very strong emphasis on walking or biking.

Chair Baney asked if there was a connection between their CCO and some of the funding to be able to assist in trails and those sorts of things. DuBose said there is not a funding connection at this time, but the head of the CCO sits on the Blue Zones Steering Committee as well as other CCO employees being on some of the other committees involved in Blue Zones. They are very active in the community.

● ● ●

Welcome and Introductions
Workshop 2

The commission participated in a panel discussion with members of the South Central Oregon Area Commission on Transportation (SCOACT) and considered approval of its updated charter, operating guidelines and biennial report. ODOT Region 4 Manager Bob Bryant, interim ODOT South Central Oregon Area Manager Jarod Johnson, and members of SCOACT led the discussion. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:
Pursuant to Highway Division Directive HWY ORG 01-02, SCOACT is required to present a biennial report to the Oregon Transportation Commission (OTC) every two years. Lake County Commissioner Brad Winters chairs SCOACT, and Klamath County Commissioner Jim Bellet is vice-chair. SCOACT is responsible for Klamath and Lake Counties. SCOACT members presented the revised SCOACT Charter, approved by the ACT on July 8, 2016. The ACT currently has two vacancies on the 31-voting member list.

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 your area of the state?*
2. *What are the key opportunities for transportation investments to help with economic development in this part of the state?*
3. *What is an appropriate and effective role for ACTs in an era of limited fund? What activities can the ACT engage in to help inform the department's work?*

Presentation:
Interim ODOT South Central Oregon Area Manager Jarod Johnson introduced the SCOACT members participating in the discussion:

Brad Winters, Chair, Lake County Commissioner
Jim Bellet, Vice-Chair, Klamath County Commissioner
Nathan Cherpeski, Klamath Falls City Manager
Betty Riley, South Central Oregon Economic District
Ernie Palmer, Basin Transit District
Jarod Johnson, ODOT, Interim South Central Oregon Area Manager

•

Brad Winters welcomed the OTC to Klamath Falls and said SCOACT is the example of working with ODOT and across the state of Oregon with "One Oregon." That is a concept they work with region and statewide because they believe that's the best way to work with ODOT. The partnership between Klamath and Lake counties has been good for many years, and he asked the commission to compare SCOACT to any ACT in the state because they are the example of how an ACT should work.

Winters addressed the questions posed by the commission. In response to the first question on what the balance between maintaining and expanding the transportation system looks like in their area of the state, Winters said preservation is important. The infrastructure is very poor across most of the two counties. A change in length restrictions to be able to get product to and from market is something they have requested for many years. The tour the commission is taking tomorrow will show one example of how well the problem is being handled.

Highway 97 is the number one priority. It is a main corridor for Oregon to survive if there is a catastrophic event. We need to be prepared today for that seismic event; the eastern side of the state is going to be very important when that happens. Today, we need to have insurance for tomorrow.

Winters said key opportunities for transportation investments to help with economic development in the area can be summed up by saying one thing; Highway 97. He said they have been so fortunate for the work that ODOT's done on Highway 97 and he hopes to see it become an interstate within his lifetime. That is so important to the economic health and vitality of the region. The 30-plus years old lane restrictions falling off Hwy 140 between Klamath Falls and Lakeview this fall is huge. The other key to economic development is railway and airports which are sometimes forgotten. Klamath County has two class one railroads; that's a main artery to the whole United States.

Winters said an appropriate and effective role for ACTs in an era of limited funds is as a direct conduit on the PR side. The ACT is able to promote and show how ODOT is a player and not the enemy so when people drive by, they say we are proud of ODOT, and the road systems and the workers. The ACTs can push that message forward. In addition, politically the ACTs can do more than ODOT can to move forward. With the limited funds, we still need to prioritize projects and we have to be ready if funds become available. The other key role of the ACTs is in *Connect*Oregon, which is huge. There are still some issues with some of the processes. The legislature has the most pull on the process, but he still has issues with the percentages of the mode that push a project forward, and how it's determined which projects will move up at the SuperACT meeting. He wants that White Paper so when SCOACT starts prioritizing its projects to get to the SuperACT, they want to know what gives it the most advantage. They don't know that and it's a real struggle.

There are two pots of money for *Connect*Oregon. He would like to see the guaranteed $4.2 million that goes to the region go through the same process where the modes prioritize it, but

for the SuperACT for the region to be able to designate where that portion goes. We know where it will make the most difference. Then the pot for the statewide significance projects would all compete at the SuperACT.

•

SCOACT Vice-Chair Jim Bellet said there is not enough interaction with the OTC and he would like to have the opportunity to have more back and forth dialogue. Bellet has been in the ACT for four years and this is the first time he has actually been able to sit on a panel in front of the commission. We need to do more of that, but it's hard to get involved when you go to another ACT's meeting, but it is important to do that as a group in front of the legislature to say this is what we need.

•

Klamath Falls City Manager Nathan Cherpeski said that having worked in multiple states as a city manager, he wanted to take this opportunity to say that the ODOT staff is wonderful to work with, which he cannot say about every Department of Transportation he has worked with. He talked about the importance of the Crater Lake/Klamath Regional airport, which is city-owned and the third largest employer in the region. They have been working to bring a maintenance facility to the airport, which supports the state with its runway, the longest east of the Cascades, and is anticipated to be critical to servicing larger aircraft after a Cascadia event. He said that as the commission prioritizes and looks at how to prioritize looking at the different modes, he hopes it remembers those things other than highway.

•

South Central Oregon Economic Development District (SCOEDD) Executive Director Betty Riley said it is important to note that economic development is very much engaged in transportation and vice versa. So when talking about regional strategies, from an economic development view, the top three projects are Highway 97, maintaining Lake County Rail and enhancing intermodal transportation opportunities. Lake County Rails is one of those unique short-rail transportation systems that few communities still have. Fifteen percent of the private sector employment in Lake County depends on that railroad that takes 6,000 trucks off the road each year.

Maintaining and being able to find funding is important. They have been successful through the *Connect*Oregon program, but also need other resources. Riley pointed out that airports have FAA match dollars, but when it comes to being able to leverage dollars, there is no other funding out there for these rails. Keeping that in mind, and the importance of the rail to the rural economy, a proposed project in Lake County will be using the rail system for hauling the bio-fuels they hope to produce.

Commissioner Morgan said there is a Class One rail line that goes through the counties also, and asked how they are working with the rail folks. Are they helping at all with the short line? Riley said there are a lot of challenges working with the rail line and getting them to come to the table has been a challenge. ODOT Rail Division staff has been very helpful and she appreciates the support they have received helping with applications for federal funding; but

the rail lines themselves do not come to the table easily. There are companies in the two counties that depend on that rail and they are looking for more ways to build on that system with the private sector.

•

Commissioner Lohman asked what rail facilities are there that particularly relate to a trans load facility. Jim Bellet responded that the transload facility is not owned by the railroad; it's a separate private company. He has not heard that the rail company wants to expand its yards in Klamath County, but the transload station, owned by Jewel Enterprises, wanted to expand and put in another spur. They applied to *Connect*Oregon VI, but weren't elevated to the funding level.

•

Basin Transit District General Manager Ernie Palmer said he has been dealing with the ODOT region staff since 1993 as a transit manager. They led the way in 1993 for having the first vision in the state of what it meant to be multimodal; what it meant to be something more than highways and bridges. Because of their size as a rural community, they get federal funding, but everything they get from the feds is funneled through the ODOT rail and public transit office, so everything we are, we owe to ODOT. Going back to 1993, ODOT has facilitated, partnered and helped both Bend and Klamath Falls, as well as the entire region. They are in Palmer's opinion his peers and he thanked ODOT for creating the Public Transit Advisory Committee. He said Bob Bryant's office works collaboratively with the local government; they are our partners and they are here to help us. When we have a problem, they say let's find a way to make it work; as opposed to most ODOT bureaucrats, reportedly.

Palmer said if he were to fault ODOT with anything, it would be that tomorrow's tour to Bly Mountain is so far away. They should have had the project six blocks away; it would have been so much more convenient.

He thanked ODOT for everything it has done with PTAC and the ACT. ODOT really is everything Brad Winters said it was. It's been a magnificent experience and we would not exist as a transit agency without the cooperation and assistance of ODOT's offices. Hal Gard and his people are doing a magnificent job for us across the state, but particularly down in this region. We sometimes feel we are the forgotten step-child because we are so far away from Portland and Salem; though in many ways we thank God we are that far away from Portland and Salem.

Palmer thanked the commission for coming to the region and for giving us the kind of people that have a broad vision for more than just highways and bridges; for foot paths and bike paths and bicycling, walking and the whole range of transportation in every form is personified in the people working for ODOT in the Bend office and the Klamath Falls office.

Commissioner Lohman thanked Palmer for his comments, saying ODOT was slammed in a Portland paper yesterday for being highway-centric and not recognizing the needs for other modes. Folks need to hear the message Palmer just gave because ODOT works very hard to pay attention to all the modes.

Discussion:
Director Garrett asked if SCOACT feels it gets enough time to meet with the commission to be effective and do what needs to be done. Winters said he feels so fortunate to have the hour to meet with the commission today, but as a person very passionate about our transportation system, he would like to have more time before the OTC. Not to have a meeting for meeting's sake, but productive time. Does the OTC have more time to give them though?

Commissioner Lohman said one of the important roles of the ACT is to help communicate with the public in general and more specifically with the legislators. The OTC depends on them to get the word out about the importance these infrastructure projects and moving forward, so he was glad to hear Commissioner Winters say that he and SCOACT understands that importance.

Commissioner Morgan said SCOACT has two counties side by side, but that are really different. She asked how, within the structure of their ACT, do the work on issues and come to a place where they can prioritize projects within the region. Winters said it's easy for more rural Lake County to support Hwy 97 because if it becomes an interstate, it opens up the same opportunities for the traffic that comes through Lake County on Hwy 395, or Oregon 31. It is a great opportunity for truckers to cut three hours off their time travel and promotes economic development. It's back to that vision of not just looking at Lakeview or Klamath Falls, it's looking at that One Oregon vision.

Jim Bellet stressed the importance of preservation. The east side of the state suffers a little bit more from a freeze/thaw cycle than the west side does. That's very detrimental to the highway and it takes an awful lot to make the road adequate all the time, so the preservation is very important. Bellet said there has been the talk about making Highway 97 an interstate, which will take federal dollars to make it an actual freeway. There are not a lot of connectors or cities in the area, but if Interstate 5 is lost in a catastrophe, the state will be totally dependent on Highway 97 and everything will be pushed up Highway 97 as long as it is still viable. Highway 97 doesn't have near as many bridges, and it's straight.

Brad Winters said the one thing that doesn't get talked about enough is the challenges counties have with lack of funding for county roads, which might be a greater challenge than what state highways are facing now. When we start losing our county roads, Oregon is not going to be very attractive. With both state and county roads going down, it's going to hurt us economically. If the county roads go, the product won't go to market. Those roads are the arteries that go to the heart of Oregon. There are 25,000 trucks on that county road each year taking hay to the ports. The county commissions had built a reserve for road preservation but that is gone with federal funds being cut by two-thirds, and going away completely this year.

Commissioner Morgan noted that the public works directors from the counties across Oregon have got together and put a proposal on the table if a funding package is put through the next legislative session, to take some of that money and redistribute it to counties. Counties like Lake and Klamath should benefit from that program. Morgan said it is very important to get with their legislators and let them know that is a very good thing for them to support.

Commissioner Lohman reviewed the charter and noticed there is a quorum requirement for the Executive Committee and for the Technical Advisory Committee, but no quorum for the regular meetings. He asked how the ACT was doing on attendance because some of the ACTs struggle with attendance when there are long distances between the members. Jim Bellet said SCOACT has been doing fairly good. There's always absentees, and it also depends on the agenda somewhat. The Executive Committee is very well attended and he believes people try to get to the regular meetings if possible.

Commissioner O'Hollaren said the ACT has clearly demonstrated that the region is multimodal and they understand the importance of air, rail, cycling and other means of transportation. Travelers don't care who owns the road; they are try to get from point A to point B as efficiently and effectively as possible. Interconnectivity of county, municipal, federal, state assets need to work together effectively to allow for economic development and sustainability. There is clearly unlimited potential when we have limited resources. Our challenge is to figure out how to allocate that, and O'Hollaren said he greatly appreciates the candid input and the investment of time and talent of those here today.

Action:
Commissioner Morgan moved to approve the SCOACT charter and biennial report. Commission members O'Hollaren, Morgan, Simpson, and Baney unanimously approved the motion.

● ● ●

Chair Baney adjourned the meeting at 6:02 p.m.

● ● ●

That evening, at 6:15 p.m., a no-host dinner was held with members of the Oregon Transportation Commission, ODOT staff, and invited members of the South Central Oregon Area Commission on Transportation at Roosters Steakhouse, 205 Main Street.

Friday, August 19

On Friday, August 19, at 10:00 a.m., the Oregon Transportation Commission (OTC) and Oregon Department of Transportation (ODOT) staff held a premeeting briefing session and agenda review at the Klamath Falls Government Center, 305 Main Street, in the Commissioner's Hearing Room #214. The formal monthly meeting was held in the Commissioner's Hearing Room #219 at 10:45 a.m. Highlights of the August 19 premeeting were:

•

ODOT Director Matt Garrett reviewed the agenda.

•

Garrett discussed the tour of the OR 140 Bly Mountain project and the significance of the new technology that is used to aid design and construction, which improves safety for our staff and reduces our work load. While newer members of ODOT's workforce accept this technology and see its benefits, many long-term employees accustomed to more traditional ways of doing business struggle. Commissioner Lohman asked that ODOT provide an overview of this new technology and its benefits to the Legislature's Joint Committee on Transportation Preservation and Modernization. Similarly, Commissioner Morgan wants to ensure that ODOT presents to the Joint Committee about the project development process so they understand all that it takes to get a project ready for construction.

● ● ●

Chair Baney called the formal OTC meeting to order at 10:45 a.m.

● ● ●

Director's Report
Agenda Item A

•

NEXTGEN Award Winner

Director Garrett said Young Government Leaders and GovLoop hosted the annual NEXTGEN Public Service awards for superior public service and achievement in Washington D.C. earlier this month. The NEXTGEN award recognizes deserving individuals who are selected from the public service community, federal, state and local, for their intelligence, exuberance, and dedication to improving and invigorating government. One of DMV's key managers, Stefanie Coons, received national recognition for her innovative and inspiring work as a finalist for the NEXTGEN Public Service Award. Garrett said he was proud to say Ms. Coons was first runner up in the innovative category for her inspiring approach to improve customer service at DMV through improved communication over all, through publishing wait-times to empower an individual to know how long they will be in the lobby, to improving and enhancing the flow in the structure of the lobbies in the field offices across the state.

Those activities were recognized as best practices by that group. She was also honored for bridging communication gaps between managers and employees through mentoring and job sharing initiatives. Kudos to Stefanie. She has done this agency proud and she has done the state of Oregon proud. But she also showed that there is the capacity to meet the challenges as we move forward in the future.

•

MCTD Credit Card Service Fee Project

MCTD implemented the Credit Card Service Fee project July 12, 2016 without incident. During the 2015 legislative session, MCTD was directed to shift these fees to the motor carriers. After working with Treasury, US Bank and their subsidiaries, we were able to implement a 2.4 percent service fee on all credit card transaction (on the phone, at the counter or through Trucking On-Line). This impacts all motor carriers paying fees by credit card.
MCTD has historically paid the fees, but they have been growing exponentially with the increased use of Trucking On-Line. In 2004, the fees MCTD paid were $271,000. In 2015, that number reached $2,455,286.

Credit cards are not the only payment option. Motor carriers can sign up for electronic funds transfers from their bank accounts, sometimes referred to as Direct Payment. In June of 2015, there were 34 applications for electronic funds transfers. In June of 2016, as a result of communication regarding the service fee charges, there were 467 applications for electronic funds transfers.

•

Transportation Indicators

June 2016 shows an increase of about 3.7 percent in vehicle miles traveled since this time last year, and growing at an overall rate of about 3.3 percent. Gas tax revenues experienced a large growth increase of about 12.3 percent, bringing the year-to-date growth rate up to about 5.6 percent, $14 million more than in 2015 at this time. On the trucking side, weight-mile revenue growth has been see-saw, increasing one month and decreasing the next. ODOT tracks the surrendering of out of state driver licenses of those moving into the state, which still shows an unprecedented growth of 15 percent over 2015. That equates to an additional 45,000 new drivers from other states added to our roads in the first six months of the year adding to congestion. Participation has declined a little in ORe*GO*, and upcoming conversations on the next phase may jumpstart a new opportunity. Finally, specific to passenger rail, ridership was up over 700 riders from where it was in the prior year. Increases year-to-date have an increase rate of about 7.3 percent.

•

Chair Baney Awarded 5-Year Service Pin

Director Garrett said Chair Baney represents one of the best and brightest in public service and it is his privilege to give her the 5-year service pin. Baney began her tenure at ODOT in July 2011 as Chair Gail Achterman, the first female chair, left the commission. She was reappointed and confirmed by the Senate on September 28, 2015, as OTC Chair, the third woman to be OTC Chair. Her term officially began 07/01/15 through 06/30/19. Her background in human service assisted ODOT to link community health with transportation.

● ● ●

Public Comments
Agenda Item B

Public comment was received from:

●

Local resident Jeremy Morris discussed issues he has seen over the years that add layers and layers to the process and how we can remove some of those layers and threshold to be able to allow more construction dollars to make it to the ground and have a more sustainable outlook. These issues are discussed often in eastern Oregon and it's a broad subject. There are two issues for getting more dollars on the ground. One is that rural Oregon has about two-thirds of the land area, is also associated with two-thirds of the roads in the state, but only 10-15 percent of the population. That tax diversity creates a real issue for sustaining the roads. Over the last 10 years, policies in Oregon have become more and more complicated related to procurement, environmental policy and design processes. It just leads to higher cost and longer lead-time on projects, as we sometimes have to wait a year or two for right of way and environmental clearances. Morris said he would like to see a more robust local involvement, i.e. fund exchange like there used to be where those type decisions, based on a certain dollar threshold, were expedited to not have to wait a few years. This would get more projects going on the ground instead of spending more time getting through red tape order to have the same project delivered at a higher cost.

Morris said he does not disagree with the DBE program. In rural Oregon, they don't have access to those DBEs. The Pleasant Valley Interchange on I-84 is an example of where, due to DBE requirements, they had to drag a surveyor from Portland to Baker City to stake on a project when we have internal surveying and staking staff. Driving people across the state and paying for per diem is not the best use of our funds across the board. And that is just one project. ODOT has hundreds of projects going on and that same type thing is probably occurring there also. Morris said taxpayers ultimately foot the bill and get less on the ground as things get more complex.

●

Port of Astoria Executive Director Jim Knight said he wanted to express a sincere appreciation for having the opportunity to bring the concerns of the port and its community here, including the new Life Flight hanger, which is one of the *Connect*Oregon projects. Knight said when he came to the Port of Astoria, he discovered an entity of crumbling infrastructure, broken and harmed relationships and difficulties so enormous that there were fires on a daily basis that staff was putting out. There have been remarkable improvements in the past two years and he is so proud of the organization he is here representing.

But most importantly, Knight said he was here to say thank you. Thank you for the consideration. This is such a huge step for our community and our port. This grant not only repairs a portion of our docks and infrastructure, which is broken, but it's also able to leverage what will be in the neighborhood of at least $10 million in FEMA funding. Substantial improvements to the infrastructure can be made.

● ● ●

South Central Oregon Regional Solutions Team
Agenda C

The commission received an informational update about the work of the South Central Oregon Regional Solutions Team from ODOT Region 4 Manager Bob Bryant, interim ODOT South Central Oregon Area Manager Jarod Johnson, and members of the South Central Oregon Regional Solutions Team. ***(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 Solutions Advisory Committees - made up of Oregonians appointed by the governor from business, civic organizations, government, foundations and higher education - identify priorities to help guide the work in each of the ten regions. The committees also help connect resources from the community to expand the state's collective capacity to solve problems and seize opportunities. Governor Brown 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 in Bend, Medford, Eugene, Portland, Tillamook and La Grande. Satellite offices are located in Salem and The Dalles. The 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 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.

Presentation:

Those participating in the presentation on the South Central Oregon Regional Solutions Team (RST) were:

- ~ Annette Liebe – Oregon's Regional Solutions Director, and Central Oregon Coordinator
- ~ Larry Holzgang – Business Oregon
- ~ Jon Jinings – Department of Land Conservation and Development
- ~ Kelly Hill – Department of Environmental Quality
- ~ Jarod Johnson – Oregon Department of Transportation
- ~ Della Mosier – Oregon Department of Transportation

Highlights of the presentation were:

- o Recognition was given to Lane County Commissioner Brad Winters and South Central Oregon Economic Development District Executive Director Betty Riley. Both were great participants in the priority-setting process with the RST.
- o Prioritizing projects were broken into two categories:
    1. High focus priorities – the team and committee is actively engaged in seeking projects that will turn the dial on those priorities: a) infrastructure, water systems, sewer, natural gas and broadband; b) the availability of marketable employment land and c) business retention, expansion and attraction. Industry sectors targeted are value-added agriculture, entrepreneurship and renewable energy and energy efficiency.
    2. Support priorities – more opportunistic and engaging to help others that may be playing the leadership role with those priorities: water storage, transportation, workforce training, workforce housing, downtown revitalization and improving forest health and access to timber resources.
- o A review of RST projects included their economic impact benefits, funding sources, land use issues, road improvements and environmental permitting and assessments. Projects include Red Rock Biofuels, North Ridge Estates, Brett Way extension and "Tech Hills" employment lands.

Discussion:

Commissioner Lohman said this was inspiring, particularly the North Ridge Estates project. Taxpayers and legislators should hear about how well everyone worked together and all the benefits that have come out of that.

Commissioner O'Hollaren asked if the North Ridge Estates project in any way increases the state's liability exposure under superfund. Annette Liebe said no.

Commissioner Morgan thanked the Regional Solutions Team for its great work, and said she loves the energy of the group and the collaboration that is going on and the reaching out to the federal level and local level to come to the table to look for solutions. The comments received during the public comment period about the complexity of the regulatory systems points out the need to continue to look for ways to simplify things and the need to continue to work with legislators and with rule-writers within the agencies that you represent to try to find ways to make things easier and faster and less expensive to undertake.

● ● ●

U.S. 97 "Four Phase Strategy"
Agenda D

The commission participated in a workshop discussion with members of the Oregon Department of Transportation's Region 4 staff to review the U.S. 97 "Four Phase Strategy." ODOT Region 4 Manager Bob Bryant and ODOT Region 4 interim Area Manager Della Mosier led the discussion. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:
Region 4 uses a 'four phase' investment strategy to serve as a guideline and vision for improving major state highways, particularly U.S. 97. As traffic volumes increase on high speed facilities, access and turn movements at traditional, at-grade intersections become increasingly hazardous. In addition, the potential for serious head-on collisions increases due to lack of non-traversable center median. A system of passing lanes, continuous four-lane highway, grade-separated interchanges, frontage roads and a center median is an effective solution.

In preparation for this meeting, ODOT staff posed the following notes for the Oregon Transportation Commission members to consider as part of the discussion.

1. *Interstate 5 Alternative: As Interstate 5 becomes busier and more congested, it is likely various traffic modes will continue to migrate to U.S. 97 in search of a quicker and safer route.*
2. *Regional Lifeline Route: U.S. 97 is critical in creating a resilient north-south highway corridor to support emergency response and recovery efforts to the most populated areas in the Willamette Valley in the event of a major seismic (or other catastrophic) event.*
3. *Connecting Freight Corridor: With freight volumes expected to increase 45 percent by 2045, U.S. 97 will be increasingly important to help eliminate current freight bottlenecks, accommodate future growth and aid the effective and safe travel for motorists and the freight industry.*

Presentation:
ODOT Region 4 Manager Bob Bryant introduced ODOT Region 4 interim Area Manager Della Mosier who led the presentation. Highlights of the "Four Phase Strategy" for U.S. 97 presentation were:

- Purpose: To serve as a guideline and vision for improving major state highways, particularly U.S. 97, through increased capacity, faster travel time, improved freight mobility and increased safety.
- Background: Incremental improvements and upgrades that support increased traffic volumes on U.S. 97 including passing lanes, grade-separated interchanges, center median and rumble strips.
- Phase 1: Passing lanes were constructed every 3-5 miles to allow for faster freight and passenger vehicles to pass slow moving traffic.
- Phase 2: Continuous four-lane highway provides a continuous four-lane section by filling in gaps between passing lanes.

- Phase 3: Grade-separated interchanges provide grade-separated interchanges at key intersections to safely accommodate access to highway and turning movements.
- Phase 4: Center median and frontage road system provides median and a frontage road system to eliminate head-on collisions and dangerous turning movements.
- Next steps: Comprehensive corridor strategy needed for a U.S. 97 corridor that addresses:
    - 'Four-phase' strategy.
    - Bridge retrofit/replacement.
    - Pavement.
    - Access management, etc.

Discussion:
Commissioner Lohman said his driving anxiety reduced a lot with the installation of passing lanes in the corridor. On the other hand, the increased speeds as a result are making his anxiety go back up. There needs to be a way to make the speeds go back down.

Commissioner Morgan said she appreciates taking a look at more passing lanes on the southern part of the corridor because more people are starting to use Highway 97 to avoid I-5 and providing areas for people to get around trucks is going to be really important to the safety and effectiveness of the corridor. Drivers that can't get around the large trucks invariably get frustrated and take chances they shouldn't.

● ● ●

The commission adjourned for a working lunch and briefing session at 12:12 p.m., in the Falls Room.

ODOT Assistant Director Travis Brouwer led the commission through a discussion of the proposed Annual Workshop agenda. Brouwer asked for feedback on the draft agenda, which includes a presentation on transportation needs across multiple modes; a report from the leadership of the Joint Committee; a dialogue with ACT and modal advisory committee chairs; a discussion around safety priorities with the three transportation safety committees; and a discussion of the commission's roles and responsibilities. Commissioner O'Hollaren indicated he would like to get his hands dirty in a workshop format with stakeholders and legislators to develop details of a funding package. He would allow for the commission to both hear presentations and provide for dialogue with the Joint Committee leadership and stakeholders that would be focused on achieving a number of outcomes. Commissioner Morgan expressed her opinion that it is important that the commission get ACTs and advisory committees involved in the dialogue with the Legislature so everyone is singing from the same song sheet and the stakeholders can help push for a funding package from the bottom up. Brouwer offered to incorporate commission comments into the draft outline and return in September with a more fleshed out agenda for the commission to review.

The regular monthly meeting was reconvened at 1:05p.m.

● ● ●

ConnectOregon VI
Agenda E

The commission considered a request for approval of the *Connect*Oregon VI prioritized list of projects and the funding for projects 1 through 39, submitted by ODOT Transportation Development Division Administrator Jerri Bohard. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:
Request approval of the Oregon Department of Transportation (ODOT) staff recommendations to the Oregon Transportation Commission (OTC) to take the following actions:

- *The OTC selects as "Approved Projects" the ConnectOregon VI Final Review Committee recommended prioritized projects, numbers 1 through 39 to receive funding. The agency recommended $45 million in project funding and administrative costs plus $4,518,726 in existing funds be used from net bond proceeds and returned or unspent ConnectOregon I, II, III, IV, and V funds.*
- *The OTC requires each of the applicants for the 39 projects sign a distinct grant agreement with ODOT within 180 days of the selection of "Approved Projects" for funding. By entering into a grant agreement with ODOT, each applicant agrees to the general terms and conditions of the agreement and any stated special conditions, as well as the project milestones. Furthermore, as ConnectOregon grants require a minimum applicant match of 30 percent of project cost, applicants agree with execution of the agreement that they will have sufficient funds available to provide the applicant match.*
- *If for any reason, a grant agreement with ODOT is not entered into within the prescribed 180 days or if funds allocated to an Approved Project are not dispersed or are returned to ODOT, the OTC will follow a process consistent with ORS 367.084 and OAR 731-035-0060 (9).*

Staff will report to the commission on an annual basis at a minimum the status of funds generated by loan repayment, returned, or unspent funds from ConnectOregon I, II, III, IV, V, and VI. The report will include recommendations for the use of the funds.
After a process consisting of review by ConnectOregon staff, representatives of ODOT, Oregon Department of Aviation and Oregon Business Development Department and 12 review committees, the OTC received the ConnectOregon VI Final Review Committee's prioritized project list and report at its July 21, 2016 meeting. The commission also heard during the July 21, 2016 meeting public testimony regarding the ConnectOregon VI project selection process and project specific concerns. In all, 19 people provided verbal comment to the commission, of which two people submitted written comment (one individual submitted letters on behalf of 29 others). Major themes presented during public testimony include those related to ConnectOregon policy and process, and those related to projects.

Comments on ConnectOregon Policy and Process

- *Support for the ConnectOregon process and its transparency.*
- *Regional review of applications should occur earlier in the review process.*
- *Local Metropolitan Planning Organizations (MPOs) and Area Commissions on Transportation (ACTs) prefer to have an opportunity to provide rankings.*

- *Support for policy that applicants remain ineligible for Final Review Committee membership.*

Project Comments

- *Support for multiple projects on and not on the Final Review Committee recommended funding list. All comments were positive in support of projects and no comment was received requesting a project not recommended for funding be awarded funds instead of projects currently recommended for funding.*
- *One comment suggested that port projects should be considered at the highest level, especially given their connection to economic development.*

In addition to testimony received at the July 21, 2016 commission meeting, ODOT staff also received more than 42 non-duplicate public comments regarding the ConnectOregon process and certain applications. Several comments received were in the form of petitions concerning the transport of log exports, as well as those in support of the preservation of the Eastern Oregon University/La Grande Grand Staircase. Public comments received and a summary are provided upon request.

The ConnectOregon VI Final Review Committee provided a recommended prioritization of seventy-five projects, with an agency recommendation of $49,018,726 in project funding plus $500,000 in administrative costs by using net bond proceeds and returned or unspent ConnectOregon I, II, III, IV, and/or V funds. Total proposed ConnectOregon VI funding is $49,518,726. The Connect Oregon Fund has monies available to meet the agency's funding request of $49,518,726 for the 39 projects and administrative costs. Upon approval by the OTC of the 39 ConnectOregon VI projects and administrative costs totaling $49,518,726, the Active Transportation section of ODOT will begin execution of grant agreements.

Presentation:

Transportation Development Division Administrator Jerri Bohard gave a brief history of the *Connect*Oregon program and the request brought forward today.

Discussion:

The commission asked for a reporting of any funds allocated to projects that were not spent.[E1]

Commissioner O'Hollaren asked what the commission's role is in regard to aviation projects. Where does the OTC role begin and where does the aviation commission's role begin? Bohard said the aviation board was the modal committee that helped identify and prioritize projects. ODOT still has the responsibility for all the finances so we're putting together the agreements for the aviation projects. What's unique about aviation is that the majority of the projects are match for FAA funds.

Commissioner Lohman asked for clarification on the definition of readiness for this program. Bohard said readiness is part of the application process in that an application could get negative points if certain degrees of readiness was not achieved, for example, it did not have right of way access to the property. Lohman said his take away from Bohard's response is that

because the projects are so different from each other, there is no standard definition of readiness. There is a rating staff gives to the modal committees but every project has to be looked at separately.

Commissioner Morgan noted for the record that one of the projects on the potential approval list is from coastal Douglas County. In her day job as Douglas County Commissioner, she has worked on this project in the past, but not on the current application.

Public comment was received from Life Flight Network Regional Director Jacob Dalstra who thanked the commission for all its support for the projects and the ODOT staff who have been amazing to work with. He said the project being funded for Life Flight will save people's lives and he wanted the commission to know that the hours ODOT staff put into their work to make this possible really does make a difference in people's lives. He is very grateful his project has been funded.

Action:
Commissioner Lohman moved to approve ODOT staff recommendations and the funding on *Connect*Oregon VI. Commissioners O'Hollaren, Morgan, Lohman, Simpson and Baney unanimously approved the motion.

● ● ●

2016 Disparity Study
Agenda F

The commission received an informational update of the Oregon Department of Transportation's 2016 Disparity Study final report from ODOT Civil Rights Manager Angela Ramos. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:
The Oregon Department of Transportation is required to implement the Federal Disadvantaged Business Enterprise (DBE) Program as a condition of receiving funding from the U.S. Department of Transportation (USDOT). ODOT's operation of the Federal DBE Program is guided by federal regulations and instructions from USDOT.

ODOT has periodically conducted disparity studies since 2007 to analyze whether there is a level playing field for minority- and women-owned firms in the Oregon transportation contracting industry. The information collected through these studies helps ODOT operate the Federal DBE Program in compliance with Title 49 Code of Federal Regulations (CFR) Part 26, USDOT guidance and Ninth Circuit case law. ODOT's last disparity study was completed in 2011.

In late 2014, ODOT engaged a team led by Keen Independent Research LLC (Keen Independent) to prepare the 2016 Disparity Study, which examines the relative availability and participation of minority- and women-owned firms in ODOT's contracts from October 2010 through September 2014. The disparity study also analyzes conditions for minorities, women, and minority- and

women-owned firms within the Oregon marketplace. Finally, the study identifies recommendations and specific steps that may be taken to encourage utilization of all small businesses in ODOT contracting as well as programs specific to DBEs.

Information from the 2016 Disparity Study will assist ODOT with the following:

- *Setting an overall annual goal for DBE participation in its contracts funded by the Federal Highway Administration for federal fiscal years 2017 through 2019.*
- *Evaluation whether it can attain its overall DBE goal solely through neutral measures, or whether race- or gender-conscious measures are also needed.*
- *Determine the specific race, ethnic and gender groups that may be eligible for any race- or gender-conscious program elements, such as DBE contract goals.*

Presentation:

Highlights of the Disparity Study presentation given by Angela Ramos were:

- The Disadvantaged Business Enterprise program requires a level playing field for minority- and women-owned firms; must meet program requirements for federally funded contractors and with a final report in July 2016.
- Key findings of the study:
    - 27 percent of businesses that are qualified and interested in specific transportation projects are minority- or white women-owned firms.
    - 19 percent of transportation contract dollars would go to MBE and WBE firms if there was a level playing field for Oregon firms.
    - 11.7 percent of transportation contract dollars were awarded to MBEs and WBEs for the study period (10/10-9/14).
- Feedback included that workplace conditions are unfavorable to women and minorities; there are greater difficulties for women and minorities to obtain financing; there is different treatment of minority- and women-owned firms by bonding companies and there are negative stereotypes about minority- and women-owned firms by some contractors.
- Disparity study activities included stakeholder engagement, utilization analyses, relevant market area and contracting disparity analysis.
- The overall DBE goal for 2017-2019 is 11.6 percent with a race neutral portion of 5 percent and a race conscious portion of 6.6 percent. Results indicate including all DBE groups as eligible to meet DBE contract goals on FHWA-funded construction and engineering-related contracts.
- ODOT is working to make contracting opportunities more accessible, ensure prompt payment to subcontractors and to leverage new stakeholder partnerships.
- Recommendations include openness and more simplicity; fair and transparent process, impactful and monitored improving.

Discussion:

Commissioner Lohman asked for a copy of the presentation Ramos gave. There was a lot of information that unfortunately Lohman had not had time to read before the presentation so he didn't capture everything. Ramos said there is a 700-page report that has been broken down

into an Executive Summary of about 14 pages, and her talking points for today will be forwarded to Commissioner Lohman.[F1]

Commissioner Morgan said the regionality aspect of the discussion is one that she has puzzled over because when you talk about the Portland/Metro region it is a far different flavor of discussion than if you are talking about this part of the state. Helping the commission understand that regionality aspect better would help them engage in the conversation about how we can be helpful.

Commissioner Simpson asked what percentage of the Office of Civil Rights' $9 million budget is dedicated to the DBE/Small Business element component. Angela Ramos said she would have to get that information. Simpson asked what programs are we entertaining or looking at where we can slowly find ways to build capacity. He would like to see ODOT having its own internal program where we are sole sourcing small scopes of work to contractors and then teaching them the process throughout the whole process; from the time it hits the streets, until the time they close out the project. There is the Brookwood project in the Hillsboro area that is going at it from a different approach through this type of platform and providing that outreach meeting and soliciting all the different scopes out there so it's kind of like a direct target to the DBEs up in Region 1. That is an example of the dial moving forward. David Kim is a big champion of that and somebody we could learn a lot from on how to implement some of these things.

● ● ●

Americans with Disabilities Act Title II Transition Plan
Agenda G

The commission received an informational presentation about the draft Oregon Department of Transportation's Americans with Disabilities Act, Title II Transition Plan, supporting the Oregon Transportation Plan strategy, and considered a request for approval to release the draft plan for public review. ODOT State Traffic/Roadway Engineer Bob Pappe and ODOT Civil Rights Manager Angela Ramos presented the request. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:
The 1990 Americans with Disabilities Act (ADA) requires state and local governments with more than 50 employees to:

- *Designate an ADA coordinator.*
- *Develop and post an ADA policy statement.*
- *Develop and post grievance and complaint procedures.*
- *Complete a self-evaluation.*
- *Develop and implement and agency ADA transition plan.*

ODOT began self-evaluation in 1993 and issued a report in 1997 that identified physical barriers to accessibility. That initial transition plan identified steps to make department facilities and programs fully accessible. ODOT subsequently issued updates, with the most recent transition plan issued in March 2004 and then amended in 2011.

ODOT has been working on an update to the 2011 Transition Plan and is nearing the point of beginning the public outreach/public review period. The Oregon Transportation Plan was reviewed as part of the update. Policy 1.2 – Equity, Efficiency and Travel Choices: "It is the policy of the State of Oregon to promote a transportation system with multiple travel choices that are easy to use, reliable, cost effective and accessible to all potential users, including the transportation disadvantaged."

However, there was not a strategy in support of the commitment to, and the need for, a Transition Plan and therefore the following is recommended as an additional strategy to the OTP: Strategy 1.2.3: "It is the policy of the State of Oregon to prepare a transition plan consistent with Title II of the Americans with Disabilities Act to establish actions and funding priorities that ensure transportation facilities are accessible to all users." This language will be shared as part of the Transition Plan outreach and will be recommended as an amendment to the OTP as an element of approval.

This draft transition plan covers ADA Program information; legal requirements and polices; identification and inventory of barriers, methods to remove barriers, priorities, the implementation schedule, and funding to achieve the implementation schedule.

The schedule to develop and adopt the draft transition plan is:

- *Staff to work on updating the plan, developing this draft.*
- *Informal review of initial draft with Federal Highway Administration – Complete.*
- *September 1, 2016 to October 14, 2016—Public outreach and comment period.*
- *October 2016 – Adjustment to plan.*
- *November 2016 – FHWA Calibration Team Review (National perspective).*
- *December 2016 – Final adjustments to plan.*
- *January 2017 – Present to OTC for approval.*

Presentation:

Highlights of the presentation on the ADA Transition Plan given by Bob Pappe were:

- The plan includes program information, responsible staff and other contacts; legal requirements, policies, priorities and funding; identification and inventory of barriers; methods to remove barriers and implementation schedule and funding needs.
- ODOT addresses ADA needs by responding to ADA complaints and requests, alterations of existing facilities, new construction and ADA-specific projects.
- Transition Plan addresses these facilities: public access buildings – owned and leased, curb ramps, pedestrian signals, sidewalks, shared use paths, transit stops and parking – safety rest areas, Park and Ride Lots, on-street.

- Transition Plan's top priorities are owned and leased buildings with public access, curb ramps and pedestrian signals.
- Plan commitments and impacts include:
    - ADA-specific funding at a total of $9 million over 2016-17-18, a total of $29 million over 2019-2021 and a minimum of $6.5 million each year after through 2045 to achieve planned schedule.
    - Staff resources include the Office of Civil Rights overseeing the Transition Plan implementation and Highway, Central Services and Transportation Development staff on Enhanced program technical oversight and coordination.
- A review of the implementation schedule by biennium.
- Proposed Language, "It is the policy of the State of Oregon to prepare a Transition Plan consistent with Title II of the Americans with Disabilities Act to establish actions and funding priorities that ensure transportation facilities are accessible to all users."
- Public outreach and comment for public input runs September 1, 2016 through October 14, 2016 when adjustments will be made based on the input received. FHWA will review in November with final adjustments made in December and presented for OTC approval in January 2017.

Discussion:
Chair Baney asked them to touch on the outreach plan in terms of making sure we are receiving input from the organizations that are directly affected by the transition plan. Ramos explained the process and resources available for sharing information and getting input from stakeholders.

Commissioner Lohman said the need to spend the $29 million in the next biennium is driven by FHWA requirements. Independent of those funds, he asked if money that is just state money needs to meet the same requirements. Pappe said that was true. Lohman said we need to help the legislature understand that it isn't just the $29 million from this purpose; it's all the monies going to the cities and counties as well because half of the state gas tax money goes to the cities and counties. That's money basically off the top that can't be spent on what we normally think of as transportation projects, so in effect, the need is even greater than we articulate when we talk about the need for transportation projects.

Commissioner O'Hollaren said this is critically valuable work, as anyone who spends a day in a wheelchair will tell you. He appreciates all the work and this should go forward and get it out to the public.

Action:
Commissioner Morgan moved to approve release of the draft ADA Transition Plan for public review. Commissioners O'Hollaren, Morgan, Baney, Simpson and Lohman unanimously approved the motion.

● ● ●

Interchange Area Management Plans
Agenda H

The commission received an informational overview of Interchange Area Management Plans, conducted a public hearing, considered a request for approval to adopt the Interstate 5 Exit 40 and 43 Interchange Area Management Plan as an amendment to the Oregon Highway Plan, and considered adoption of the findings of compliance in support of this action. ODOT Transportation Development Division Administrator Jerri Bohard and ODOT Region 3 Planning Manager Mike Baker led the agenda item. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:
Coordinating closely with the city of Gold Hill and Jackson County, ODOT developed an Interchange Area Management Plan (IAMP) to protect the function of the Kane Creek Interchange (Interstate 5 Exit 40) and Rock Point Interchange (Interstate 5 Exit 43) in Jackson County, Oregon near the city of Gold Hill. The IAMP assesses transportation needs and identifies facility improvements. A notice of intent to adopt and a copy of the IAMP were sent to the city of Gold Hill, Jackson County, Middle Rogue Metropolitan Planning Organization and Department of Land Conservation and Development on April 29, 2016. No comments were received.

Presentation:
Transportation Development Division Administrator Jerri Bohard and ODOT Region 3 Planning Manager Mike Baker talked about why ODOT does IAMPs and reviewed the two IAMPs presented for approval. Highlights of the presentation were:

- The two purposes of IAMPs are to identify the function and existing and future needs of transportation facilities and to create strategies for managing and improving the existing facilities to keep them operating at acceptable levels for twenty years.
- IAMPs are needed to determine when interchange projects are needed based on capacity, operational concerns, local growth and development pressures.
- Outcomes may include access management strategies, alternative mobility targets, and trip limits for new development.
- The planning process focuses on collaboration with local jurisdiction and a public adoption process for local approval.
- A number of facility plans actually amend the Oregon Highway Plan (OHP) and may do one of the following: include a new designation such as a freight route or change a functional class; support the design and operations of a proposed new alignment; or establish operations and maintenance agreements for an existing facility.
- Sixty three facilities plans are in place.
- A review of the Exit 40 and 43 improvements.

Public Hearing:
Public Hearing. *(Note:* ***Public comments will be limited to no more than three minutes each. Individuals providing similar testimony on the same topic are requested to appoint a spokesperson.*** *The commission has allocated 90 minutes for this item, but will hear all those who*

*wish to testify.)*Chair Baney called the public hearing to order at 2:35 p.m. No public comments were received. Chair Baney adjourned the public hearing at 2:35 p.m.

Discussion:
Commissioner Lohman said the IAMPS have the advantage that they require local jurisdictions and ODOT to collaborate and has the expectations for future system uses that would affect the transportation system. That's the real advantage; that it's preserved there on paper for the next twenty years so the next set of city counselors or commissioners knows what the expectations are and that if they change those expectations, they have the responsibility for funding that change.

Commissioner Morgan said it is common to have IAMPS be very controversial in areas where there is potential for a lot of land use changes and a lot of development and asked what the process for property owners, developers or anyone that uses the property to come together and have a conversation to work out a collaborative agreement about what a management plan would look like.

Action:
Commissioner Morgan moved to adopt the findings and the I-5, Exit 40 and 43 IAMP. Commissioners O'Hollaren, Morgan, Lohman, Simpson, and Baney unanimously approved the motion.

● ● ●

Congestion Mitigation and Air Quality Funding
Agenda I

The commission provided input related to the process for making changes to the allocation and use of the federal Congestion Mitigation and Air Quality funding in Oregon. The discussion included how to engage appropriate stakeholders and expected timelines. ODOT Active Transportation Manager Mac Lynde led the agenda item. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:
The CMAQ program is a federal-aid funding source for transportation projects that reduce traffic congestion and improve air quality, specifically for the pollutants of ozone, carbon monoxide and particulate matter. Within this general purpose, the program can fund a wide variety of projects, with each project meeting three basic criteria: it should be a transportation project, it should generate an emissions reduction, and it should be located in or benefit a nonattainment or maintenance area. Some general project categories include: dust reduction, traffic flow improvements, transit vehicles, initial operations assistance for new transit service, transit infrastructure, bicycle and pedestrian facilities and programs, Transportation Options, alternative fuels and vehicles, data systems and planning, and education/outreach.

The Federal Highway Administration (FHWA) determines which nonattainment and maintenance areas CMAQ funds are eligible to be used within. The Oregon Department of Transportation (ODOT), as the state department of transportation, has the discretion on how to allocate the funds for projects within these eligible areas. Historically, almost all of the CMAQ funds have been allocated to the individual eligible areas that control project selection and investment decisions at their local level. The allocation formula was last modified in 2006 and agreed to by representatives from the specific Oregon eligible nonattainment and maintenance areas and ODOT staff. That formula remains in effect currently and sets the percentage of available annual funding that each eligible area has control of. Until recently the qualifying areas were: the Portland metro area, Medford-Ashland, Grants Pass, Klamath Falls, Lakeview, Oakridge, and La Grande.

In March 2016, at the urging of the Salem-Keizer and Central Lane Metropolitan Planning Organizations and with ODOT staff support, the FHWA Oregon Division Office in coordination with their Washington, D.C. program office, confirmed that both the Salem and Eugene areas are now eligible CMAQ areas. Upon this determination, all eligible CMAQ areas in Oregon were notified of the two additional eligible areas and the need to reevaluate future distributions of CMAQ funds.

In April 2016, the proposed National Performance Management Measures for Assessing the CMAQ Improvement Program were released as part of the MAP-21 required performance measures. While not approved yet, the proposed rules would require states to estimate statewide emission reductions and set 2 and 4-year total emission reduction targets, based on the reductions for each CMAQ funded project.

Originally, ODOT staff planned to convene stakeholders in summer 2016 to form a recommendation to the Oregon Transportation Commission by fall 2016 on how to allocate CMAQ funding and how to include all nine eligible areas. After further consideration, taking into account the feedback heard from various stakeholders, ODOT staff now recommends taking the necessary time to work the issues with stakeholders and ensure the CMAQ funds are used in a strategic and effective manner. Because CMAQ funds were identified in the current 2015-2018 STIP for the previous eligible areas, the focus will be on funding decisions for 2019 and beyond.

To thoroughly engage the eligible CMAQ areas, the potential recipients of these funds, and other interested stakeholders, this process is anticipated to take 9-12 months. This is in alignment with stakeholder engagement and program development for other large funding programs. The goals of this effort will be to set clear objectives for this funding source in Oregon, ensure the strategic use of these funds, and consider on-going stakeholder engagement for this funding source, possibly through an advisory committee.

Presentation:

Highlights of the presentation on CMAQ funding given by Mac Lynde to discuss changes in eligibility and program design were:

- CMAQ is a flexible federal-aid funding source since 1991 (ISTEA) that allows states to decide how to distribute the funds to non-attainment areas. Funds must be used for a

transportation project that demonstrates positive impact on air quality or congestion relief that demonstrate an air quality benefit. Every state handles the distribution differently.

- Currently ODOT distributes all the funds to three Metropolitan Planning Organizations (MPOs) and four cities, as a direct pass through to the local eligible areas using a funding formula based on population and air quality factors that was updated in 2006. Each area has its own method for developing a project list and distributing funds.
- The top three types of projects funded for the 2011-2014 allocation were bicycle and pedestrian facilities (including safe routes to school infrastructure), 28 percent; transit infrastructure (non-operations), 27 percent; and traffic flow with bicycle and pedestrian facilities, 15 percent.
- Based on EPA/DEQ data, FHWA has determined Eugene and Salem MPOs to be eligible non-attainment areas as of FY2016. Issues raised by this include a reduction in the size of the pie, strong interest from stakeholders, FHWA performance measures and new emissions targets.
- Additional issues include being unable to redo 2006 formula for funds distribution, funds used for transit bond repayment and Metro MTIP list out to FY21.
- The current status of the funding program is that Director Garrett has publically stated there will be no changes in funding until after FY18 and has requested eligible areas be conservative with their MTIP project lists after FY18. A letter demonstrating funding allocations with Eugene and Salem included using the current distribution method based on population was provided along with a letter promising stakeholder engagement during the process to update.
- After communicating the original approach through a letter this spring, stakeholders responded that more discussion is needed on the goals of the program and to develop a strategic approach.
- Four program design options discussed were:
    - Formula Based: continue distributing funds via formula with or without air quality calculation (current method).
    - Competitive Process: develop a competitive process with guidelines such as *Connect*Oregon with or without funds targeted to areas with greatest air quality need.
    - Combination: combination of 1 + 2, example: formula to a specific date then competitive.
    - ODOT full control, all funds distributed through an internal process.
- Outreach for eligible areas, potential recipients, and interested partners will be a three phase process starting with interviews with representative from eligible areas in September, an advisory committee to develop recommendations on program design to meet through the fall and summer, and concluding with OTC action and program implementation September 2017.
- Next steps include the three phases above, with OTC updates as needed throughout the process.

Discussion:
Commissioner Lohman asked when the federal rules now in draft would be finalized. Jerri Bohard said comments are due next week, but previous federal regulations have taken up to two years to bring a final copy.

Commissioner Morgan asked what the rules say about a project that doesn't make the estimated benefits it had projected. Lynde said the rules are silent on what the impact is if a project doesn't meet that target or baseline that was set.

Commissioner O'Hollaren noted that this is not an entitlement program, and if the department is committed through 2018, he assumes those entities have leveraged those dollars and bonded against them and we have an element of commitment. The other thing in looking at Eugene and Salem is what are the transportation contributions to their air-quality issues? How much is caused by transportation related issues? Are they coming from other issues where transportation is trying to improve it, like field burning? In looking to build criteria, we need to look at DEQ and DEA and have some sort of lens to focus so we're not trying to fill a void for other sources of bad air quality.

Commissioner Simpson agreed with O'Hollaren's comments, but said it's not just about Salem and Eugene; it's also about the areas that have been eligible for a long time.

Public comment:

•

Central Lane Metropolitan Planning Organization Manager Paul Thompson requested the OTC direct ODOT to make an immediate determination as to when it can expect to receive CMAQ funding due since 2013 and that ODOT permit the MPO to fully participate in all future CMAQ funding and to correct federal Public Lands funding to reflect its eligibility. Thompson explained why the MPO is eligible for CMAQ funding.

•

City of Springfield Mayor Christine Lundberg also requested the OTC direct ODOT to make an immediate determination as to when it can expect to receive CMAQ funding due since 2013 and that ODOT permit the city of Springfield to fully participate in all future CMAQ funding and to correct federal Public Lands funding to reflect its eligibility. Lundberg explained why the City of Springfield is eligible for CMAQ funding and asked that ODOT remedy first the moneys from 2013 forward; monies that the FHWA has now said the city was eligible to receive.

•

Portland/Metro Metropolitan Planning Organization Planning Manager Ted Lebold thanked ODOT staff for recommending a process to develop an allocation process based on policy objectives of the CMAQ program and air quality ratings related to transportation versus a simple solution of a formula based allocation based on population. Lebold said he felt it is essential to look at policy issues and objectives and try to put the money where the policy objectives are within the state and that he looks forward to working together through the issues.

●

Central Point City Council member and Rogue Valley Metropolitan Planning Organization chair Mike Quilty said compromising the integrity of the allocation methodology used since 2006 for the purpose of immediately funding two new CMAQ programs is problematic. The MPO recommends collecting the data necessary to populate the existing allocation formula and that no CMAQ funds be redistributed without that technical merit. It further recommends waiting until the results of the 2020 Census is available before altering the distribution, and if the OTC declines to delay CMAQ funding to the Salem and Eugene areas until the census occurs, that it then funds those programs with any available state transportation funds until a new FHWA allocation can occur.

Commissioner Lohman commented that for this year we are talking about $17 million. That is not all that much money, but the problem comes from the fact that this is flexible money and you can use it on things like transit. That makes it very valuable money and everyone wants it. We can't go to civil war over it and we need to find a way to deal with it. His perspective is while there may be unfairness in the past, we're going to try and figure out a fair way to do it, but we shouldn't take money away from projects that are already committed. Lohman does not see an immediate solution but said he appreciates everyone's willingness to sit down to reach a solution. We need to get the legislature involved in this also. We need more flexible money for transit and other things.

Commissioner Morgan agreed with Lohman's comments and added that she supports the outline put forward by ODOT for the workgroup to carry this forward. It is going to be very difficult to change the funding formula before 2018 because of the commitments already made, but it's a good place to start the discussion. There are really good minds that are going to come to the table for this discussion and bring a diversity of experiences. Large MPOs and a group of very small jurisdictions are the two main players, both bringing different points of view. We need to be willing to accept that kind of outcome and a workgroup like this should help that effort.

Chair Baney said we should use a two-pronged approach: one, the side of working forward for solutions and two, working with partners for today with the existing concerns raised. She asked Mac Lynde if there could be an off-line conversation with them to work with our partners to address the immediate concerns brought up today, but then to also after hearing from this group, to move forward with the recommendation of a workgroup. Lynde said that was perfectly approachable.

● ● ●

Interstate 5: Anlauf-Elkhead Road Paving Project
Agenda J

The commission considered a request for approval of an increase in construction authorization of $4,194,177.62 or 10.41 percent on the Interstate 5: Anlauf-Elkhead Road Paving project, located near Cottage Grove. The increase will change the construction project authorization

from $40,302,691.05 to $44,496,868.57. Construction is underway and is approximately 50 percent complete and will be completed by November 2017. ODOT Region 3 Manager Frank Reading presented the request. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:
The Interstate 5: Anlauf-Elkhead Road Paving project is located on Interstate 5 near Cottage Grove between milepost 154 and 162. The work consists of continuous reinforced concrete grinding and paving, asphalt concrete grinding and paving, bridge deck repairs, concrete median barrier replacement, and guardrail replacement–all four travel lanes are being replaced. The contract was awarded to K&E Excavating, Inc. and a notice to proceed (NTP) for construction was issued on March 6, 2015.

The concrete work requires construction of crossovers for traffic staging. The project is currently designed to construct four separate crossovers during eight stages where traffic will be temporarily reconfigured to allow one lane of traffic in each direction except for the northern section. Additional lane closures will be used elsewhere in the project area to work on bridge deck repairs and concrete barrier replacement.

The contract made changes to add a climbing lane to the southbound section, just south of the major corridor to the coast along Oregon 138. The changes required excavating to an existing slope along the proposed climbing lane construction. Excavation of the slope exposed underlying material of an unstable nature that requires extensive stabilization by geotechnical methods. The stabilization methods require a reduction in the two-lane sections requiring the cost of pilot cars through this area due to the staging width needed for the stability work. We recommend an increase in construction authorization to mitigate the needs created by the slope instability. The additional work is expected to total $4,194,177.62.

We request approval of an increase in construction authorization of $4,194,177.62, increasing the construction authorization from $40,302,691.05 to $44,496,868.67. Construction is anticipated to be completed by November, 2017. Funding for this request will come from the Region 3 financial plan and is being made available as a result of savings due to favorable bidding from the OR42: Bridge Lane to Hoover Hill Rd project, KN #19779 as well as from other projects bid in Region 3 this project season.

Presentation:
ODOT Region 3 Manager Frank Reading presented the request for the project located in northern Douglas County that consists primarily of replacing the existing asphalt concrete with new white concrete, a new median barrier and bridge deck rehabilitation. Highlights of the presentation were:

- The primary cause of the increased cost of the project is due to slope stability requiring rock anchors in the event of unexpected “wedge” failures. Other costs contributing to the amount are mobility impacts as well as some additional concrete paving costs.
- The contract is now about 50 percent complete, and is estimated to be complete in November 2017.

- Money to pay for the construction authorization is coming from the Region 3 Financial Plan as a result of receiving very favorable bids on a number of projects the past 12 months. The primary contributor, to the tune of about $2.2 million, is the Highway 42, bridge lane Hoover Hill project.

Discussion:
Commissioner O'Hollaren said there are always unforeseen variables in these projects that escalate the costs, but having the contract management so far out of whack doesn't give us a lot of credibility on this; nor does he feel there is a choice here. The project is halfway done and we have to complete it. O'Hollaren said this was more a comment that this may be a front end issue that we have to do a better assessment at the beginning. After having heard pleas for money for other projects, to hear that we're $4 million over, it feels like we are between a rock and a hard place where we don't have a lot of choice but to approve it.

Commissioner Morgan noted for the record that the southwestern corner of Oregon is really just a lot of mud rock and is very geologically unstable. The failure on this project is the underlying geology.

Action:
Commissioner Lohman moved to approve the increase in construction authorization. Commissioners O'Hollaren, Morgan, Lohman, Simpson and Baney unanimously approved the motion.

● ● ●

Consent Calendar
Agenda Item K

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

1. Approve the minutes of the July 21, 2016, commission meeting in Salem.
2. Confirm the next two commission meeting dates:
    - Thursday and Friday, September 15-16, 2016, meeting in Newport.
    - Thursday and Friday, October 13-14, 2016, annual workshop and meeting in Silverton.
3. Request approval to adopt a resolution for authority to acquire real property by purchase, condemnation, agreement or donation.
4. Request approval to appear at the September 2016 meeting of the Joint Emergency Board to request retroactive approval to apply for a federal climate change resilience grant.
5. Request approval to amend the 2015-2018 Statewide Transportation Improvement Program to add scope and $710,000 of funding to an existing safety project, Oregon 34 Safety Improvements from Interstate 5 to Corvallis, located in Region 2, Linn County. Funding will come from Linn County. The total estimated cost of this project is $3,710,000.

6. Request approval to amend the 2015-2018 Statewide Transportation Improvement Program to add the Oregon 540: Virginia Avenue ADA Ramps Project in Region 3. The funding will come from the Statewide Fix-It ADA Financial Plan. The total estimated cost of this project is $52,600.
7. Request approval to amend the 2015-2018 Statewide Transportation Improvement Program to increase funding by adding $1,980,000 from the Bridge Program to address the change in scope of the U.S. 97: Biggs Jct. - Spanish Hollow Creek and Trout Creek Bridges project. The project is in Sherman and Jefferson Counties in Region 4. The total estimated cost for this project will increase from $13,166,988 to $15,146,988.

With no issues or conflicts identified by the commission members, Director Garrett asked for approval of the Consent Calendar.

Action:
Commissioner Morgan moved to approve the Consent Calendar. Commissioners O'Hollaren, Morgan, Lohman, Baney and Simpson unanimously approved the motion.

● ● ●

Chair Baney adjourned the meeting at 3:43 p.m.

[Original signature on file] Tammy Baney, Chair	***[Original signature on file]*** David Lohman, Member
[Original signature on file] Susan Morgan, Member	***[Original signature on file]*** Alando Simpson, Member
[Original signature on file] Sean O'Hollaren, Member	***[Original signature on file]*** Roxanne Van Hess, Commission Support