Community Livability & Safety Subgroup: Meeting 3 Executive Summary

Location: Teams Virtual Meeting
Date: Tuesday, July 21, 2026
Time: 1:00 – 3:00 p.m.

Meeting Objectives

- Review and Agree on Safety Scenarios
- Review and Agree on Bicycle and Pedestrian Scenarios
- Discuss Funding Options to Support Scenarios

Discussion

Safety Scenarios

- **Scenario 1: No New Funding –** Impacts of not increasing today's funding (doing less). Funding is flat and does not keep pace with inflation. Today's fundings has supported safety improvements in specific locations; however, fatalities statewide are increasing. Focus on the four main safety factors: intersection, roadway departure, impairment, and speeds.
  - Cite the statistics and data in the report.
  - Focus on people first; humanize the data.
  - Showcase how safety projects work and demonstrate successes. We will focus on the data and research to make cost effective and highest impact on choosing strategies that can be implemented in the short-, medium-, and long-term (8 top strategies).
  - The cost of a fatality/serious injury ($2M) should not be the main focus; the 58% decrease is more powerful.
  - Balance data or stories: lead with stories and support with data. Frame the conversation to "you/your family" instead of "Oregonians" at large.
  - Focus on "making your life better" which is proactive and positive, that affects everyone (and saves lives).
  - Point out the elements that we can control (safety, walkability) vs health insurance/Medicaid.
- **Scenario 2: Sustain Existing Service –** Increase funding to keep up with inflation (more money to do the same). Fund the same number of projects in 2027-2036 and adjust Driver Education Reimbursement to providers for inflation.
  - Beaverton's "Be sober" program for people with 3+ DUI wouldn't exist without ODOT funding.
  - Consider if Teen Driver Education should be called out specifically / focused on.
- **Scenario 3: Critical Improvements / Reach minimal immediate safety measures –** Increase funding to address critical needs (more money to do more). Meet the TSAP short-term safety targets (1% reduction in fatalities and serious injuries) by keeping up with inflation, reverse current crash trends and then meet the target, which is about 21.3% increase in funding.
  - Include a visual to make this compelling; "just to stay even with where we are today, we need this..."
  - Think about inflation and regulations, which are both barriers to the funding. Try simplifying as much as possible.
  - This is a huge bang for the buck in millions of dollars not billions.
  - ODOT's goal is zero fatalities by 2050. We need to talk about this with more urgency.
  - It would be nice to understand what we're buying with each scenario. Scenario 1 is the boat is sinking and we need to save people; 2 is the hole is plugged; 3 is that we're moving forward slightly (and define what we're getting).

    - Is it realistic to expect any funding? If we can get to a universal road usage charge, we could raise safety funding. This could help us in the future.
- **Recommended Policies:** There are costs associated with these items, particularly during the start up, but these are impactful policies that could be recommended. No policies taken off the list yet.

Bicycle and Pedestrian Scenarios
- **Scenario 1:**
    - Fewer projects mean safety issues go unaddressed, leaving our most vulnerable road users at risk.
    - ODOT's SRTS started in 2017, but projects were first installed in 2019.
    - Talk about the benefits of SRTS as "safe routes for all," helping all people not just students.
    - Argue for SRTS as the most important because it provides access and safety. There are some other ways to pay for other programs. SRTS funds are very easy to use/spend compared to federal funds. They are also smaller and can help smaller communities.
    - Baseline funding is needed/critical for Scenario 1.
- **Scenario 3:**
    - The return on investment is the best measure for safety and livability outcomes. The type of money restrictions is important, so that we understand where state funds are most critical. Oregon Community Paths feels more vulnerable to funding.
    - Interest in increasing funding for all bike and ped programs for now.
    - Need to think about tying this back to the governor's values and the data.
    - It would be good to address prioritization methodology to assist the vision workgroup. Where are the SRTS funds going and by size? Local governments building some projects themselves if state highway funds increase versus applying through a program.
    - Great Streets is an important program that should be preserved by one subgroup, perhaps this one.

Funding Options
- Assume some type of funding like ARTS for safety.
- It's strange to separate out safety as a different program/project; need to make the cultural shift to lead with safety. It should be related and integrated with every project.
- Recommend focusing on reducing fatality and injuries.
- Do we increase fines and then that additional fund goes back to ODOT after recuperating costs for enforcement? Revenue neutrality for speed enforcement/cameras was popular in previous legislative sessions; there was less support as a safety focused revenue generator.
    - Right now, $50 of every citation goes to the state for the court system. It's possible to increase the fines to support safety improvements.
- Revenue-neutral programs are unlikely to have a significant deterrence on behavior in the near-term. Might make sense to establish an expectation that it is revenue neutral after 5 years, when people's behavior changes as a result of the new enforcement.
- Is there support for income-based traffic fines support?
    - What is the administrative costs? Don't want it to be burdensome.
- The more options the better to ensure funding and to help with prioritizing later.
- The TPR should increase language around safety. There are other planning/policy items that focus on safety.
- System development charge; could it be proportional related to the safety issues on the roadway?

Other Considerations Outside the Scope
- Scenario 4: What it takes to get to ODOT's 2050 Vision Zero goal

Next Steps

Next Meeting: Scheduled for Monday, August 17 at 9:00 a.m.

Questions/requests for ODOT staff

- Send the PowerPoint and meeting summary after the meeting.
- What is the 30% drop of STIP Cycle in rough dollar amounts? (for scenario 1)
- Why is driver ed rates so low? How does insurance factor in as an incentive?
- Check in with TSAP goal for 2037 to reach the zero-fatality goal to see what the recommendation is (beyond the 1% to reduce the trend).
- Double check the $1M for safety improvements relating to 5 lives saved with the SRTS data? SRTS are only within ½ mile from a school and just bike/ped, which typically includes lower injuries. Need to show these numbers in a more similar way for comparability.

Attendance

Subgroup Chair: Thomas Baker, The Street Trust

Subgroup members: Jocelyn Blake, City of Beaverton; Stu Green, FORTH; Anneliese Koehler, Metro; Nolan Lienhart, ZGF; Nansi Lopez, Centro Cultural; Joe Marek; Zach Lauritzen, Oregon Walks; Rob Inerfeld, City of Eugene

ODOT Liaison: Amanda Pietz, Policy, Data, and Analysis Division Administrator

ODOT Staff: LeeAnne Fergason; Kayla Hootsmans; Amanda Howell; Angela Kargel; Susan Peithman; Josh Roll

Consultant Support: Brandy Steffen, JLA

Absent members: Lindsay Cromsigt, City of Redmond; Lyle Mordhorst, Polk County; Luke Shepard, City of Rockaway; Chris Hagerbaumer, Vision Workgroup Liaison

Maintenance, Preservation, & Emergency Management Subgroup
Meeting 3 Executive Summary

Location: virtual
Date: Wednesday, July 22, 2026
Time: 10:00-12:00 p.m.

Meeting Objectives

- Review Scenario 2 & 3 funding assumptions
- Define priorities and reductions for Scenarios 1-3
- Considerations for implementation

Discussion

During the meeting, the subgroup discussed:
Final Report Template

- Are any of these scenarios getting tied to the Governor's prosperity initiative?
    - Not necessarily, but if it applies we can include it in the memo.
- Ensure that the scenario impacts reflect dependencies and overlap with other subgroups.

Scenario 1

- Need to discuss the legal requirements for ADA and environmental requirements, plus the impacts of reducing the maintenance staff. These are policy level items that need to be articulated well in the memo; any recommendations related to regulations need to be checked against the Governor's policy priorities.
- Confusion around the ownership of rest stops; clarify which rest areas are ODOT-run so it is clear which would be closed.
- Recommend saying that safety critical repairs include existing guardrails and fog line striping.
- Emergency response/bringing fuel to rural areas and not plowing roads are not compatible.
- 2026 safety action plan; need to discuss the increases in fatal and serious injury crashes and then make the connection between reduced/deferred maintenance to safety/risks.
- The clearer the memo articulates connection between the work that can be done with funding, and the outcomes people can expect as well as the impacts of not doing specific work the more we can help folks understand. Will need to provide supporting data in a way that is digestible for the workgroup, the public and the legislature.
- Our public can't give more; there will have to be cuts. But we need to cut what isn't seen and is not critical to the safety/operation of the roadways. Focus on the biggest impact: maintenance, preservations, plowing, paving.
- Add information about personnel safety when the crew numbers go down.
- We should all feel uncomfortable about deprioritizing any of this critical work. We need to communicate this information to help everyone understand the public and elected officials about the systemwide impacts.
- We decided to cut the non-essential projects, but if the current funding situation continues, we will need to change our perspective to what work we will continue instead of what we cut. If Scenarios 1 and 2 move forward, we won't be able to survive. We should frame this in terms of "bare minimum" services. We need to manage expectations – making the key themes and messaging around these scenarios critical.
- Add a note about how the scenarios will impact vegetation control; because that is how people crash and die or how fires get started.

- Include a statement that "every year it will get worse because of inflation."

Scenario 2

- Consider categorizing prioritized investments.
- Call out that preservation is handled by local, county, and state.
- Replace "high-use/high-volume" with priority routes and articulate the factors that determine priority routes to clarify that these are not just focused on the highest population areas but also include hazards, asset condition, freight routes, lifeline routes etc.
- Ensure that every legislator sees how this connects to their jurisdiction, while not getting too granular.
- Scenario 2 is actually a baseline; we can't do more, we just can slow how much we cut/decline. Modify language to reflect that scenario 2 is equivalent to sustaining existing environment of managed decline, not improvement.
- Will also need to demonstrate the clear distinctions in outcomes between scenarios 1 and 2.
- How much will the current system decline? Can we explain that?
    - Reference the system condition KPMs.
- Acknowledge, under scenario 2, without funding increase being tied to indexing, buying power will continue to degrade over time which will impact outcomes..
- Current conditions should be reframed as managed decline since conditions are steadily declining and funding levels being discussed simply adjust how quickly or slowly that decline occurs.
- Public trust is gained through accountability. You see more support when projects are done on time, within budget and there is clarity about what we are delivering, how it benefits the public/aligns with what the public wants.
- The more we can show the value of transportation in our regions, the more support we'll get. Need to show the local knowledge and how ODOT is leaning on them.

Scenario 3

- Explain how much improvement we get for the system (would be good to show this in terms of KPMs).
    - Do Counties or cities have KPI/M? It is inconsistent, often it's too expensive to track this, particularly for smaller jurisdictions.
- For small agencies, 20% is still not much, and outcomes will look similar to Scenario 2.
- For the memo, link to state KPMs and annual reporting, as well as linking to PCI work that happens in larger jurisdictions as examples. Smaller jurisdictions also have limited resources to track outcomes tied to funding increases. Messaging will be a bit different as it relates to smaller jurisdictions.
- We want to increase transparency of how we share data between jurisdictions.
    -
- The first priority is maintaining and persevering the existing systems/assets and the related safety increases that tie to doing that work followed by other department goals.
- Inflation and 20% increase only get us to the bare minimum – system conditions will still decline; maintenance backlogs will still grow and there will be needs that we cannot address.

Next Steps

Next Meeting

- Scheduled for Thursday, August 20, 2026, at 10:00 a.m. to review the funding subgroup options matrix (tentative), as well as the impacts of inaction (scenario 1), considerations of implementation and accountability, other subgroup updates, and any policy/regulatory changes.
- Email edits on the memo to Tova/team by Friday, August 7.

Questions/requests for ODOT

- Send the PowerPoint after the meeting

- Summary of meeting 2 edit - a statement was made that general funds (property taxes) cannot be used for transportation.   That is in error - "General" funds in municipalities (unless specifically chartered differently) can be used for any public purpose. State Gas distributions are restricted to transportation purposes, but general funds are not.   With that said, most charters require police and/or fire services be provided which generally take most if not all property tax revenue.
- Provide a map that shows the edge line striping on low volume roads.
- Confirm the funding commitments between ODOT and ODFW for fish barrier mitigation.

Attendance

Subgroup Chair: Anthony Castaneda, SEIU
Vision Workgroup Liaison: Jim Trett
ODOT Liaison: Tova Peltz, Delivery and Operations Division Administrator
Subgroup members: Susan Allen, AFSCME; Jeff Baker, Oregon Transportation Commission; Mike Bezner, Clackamas County; Ralph Dunham, North Bend; Mike Freese, Fuel Distributers**;** Patty Herzog, McMinnville Economic Development Partnership; KC Klosterman, Ash Grove Cement; Brett Morgan, Climate Solutions; Lily Morgan, City of Gold Hill, Millicent Williams, City of Portland

Additional Staff: Kat Silva, Elizabeth Papadopoulos, Susan Peithman, ODOT; Brandy Steffen, JLA; Nicole Stingh, League of Oregon Cities; Mallorie Roberts and Brian Worley, League of Oregon Counties
Absent: Marie Dodds, AAA; Mac Lynde, Oregon Travel Information Council; Noodle Perkins, Baker County; John Vial, City of Medford;

Major Projects Subgroup
Meeting 3 Executive Summary

Location: ODOT Headquarters, 355 Capitol St NE Room 240, Hybrid via Teams
Date: Friday, July 24, 2026
Time: 9:00 – 11:00 am

Meeting Objectives

- Review proposal for funding major projects.
- Discuss how to prioritize investments in major projects.

Discussion

Legal Requirements for Alternative Contracting

- There is too much risk placed on contractors, which is not held with ODOT. That needs to change.
- Is it possible to have 1-2 DOJ attorneys on retainer to reduce expenses?
- PBOT and TriMet have implemented a new process to reduce procurement from 90 days to 30 days; ODOT should consider something similar.
- DOJ lawyers shouldn't review scope/budget because they aren't subject matter experts. They could focus instead on the terms/services which are where the risk is. ODOT has never gotten sued on planning projects, but they are wasting a lot of time reviewing that.
- Dollar thresholds for DOJ review should be changed in law.
  - ODOT is going to use this for conversations with DOJ next month. We might bring in AGC and ACEC to understand to help make the case for potential rule or statutory changes. ODOT would love to come in to the Legislature with DOJ to jointly request change.
  - A statutory change might be something that could pass in 2027, separate from the funding discussions.

Major Projects Needs and Investment Prioritization Discussion

Prioritization

- Emphasize economic benefits as the primary driver of project decisions.
- A major highway capacity expansion project may not be the best solution with the greatest return on investment for an identified transportation problem. In some cases, alternative investments in local road improvements, demand management, or transit may reduce the need to invest in capacity expansion.
- We need values that guide the decision making for major projects. VALUES TO CONSIDER: Build Better. Grow Together. Leave a Legacy. Build Better — Deliver safe, resilient, high-quality infrastructure. Grow Together — Expand small business participation statewide, workforce development, and partnerships. Leave a Legacy — Create lasting economic opportunity, stronger communities and infrastructure, and generational prosperity.
- Major projects touch multiple jurisdictions, areas, departments compared to smaller projects.
- There is some value to phasing more complex project that includes more topics, stakeholders.
- Use the performance metrics that already exist; look at the Oregon Transportation Plan for guidance.
- Need to have the legislature use something like the MSTIP in Washington County to define what a major project is, not just related to the cost.
- The Oregon Highway Plan and Transportation Plan are disconnected from future solutions; the policy document doesn't outline a vision for the major project list.

- How will the CIP be prioritized? We need to have a separate fund for major projects.
- The ACTs have identified hundreds of projects to be built if there is a CIP. The legislature needs to see that it's not solving funding just for the current six projects, but the next six and beyond.
- Should revisit existing project lists and determine which projects truly should or need to advance now and when we might need to de-prioritize things. Can we say that some projects aren't advanced in 2027? Do we have to do all the projects? Let's revisit what we can fund; perhaps revisit the designs or solve the problems with less expensive projects.
- We could prioritize major projects to give extra weight where there is local agency contributions or support for tolling/congestion pricing. All projects are going to score high, but the willingness of local agencies or the community to allow tolling might help differentiate projects.
- The act of tolling allows us to pace the funding and design of projects to clarify how much we want the project. Maybe congestion pricing is a complementary topic.

Needs

- The local economic benefits/job access need to be balanced with efficiency.
- ODOT should partner with other state agencies, particularly in the urban areas, about housing, affordability, livability, etc. That is a hard view for ODOT but critical for Oregon and these other infrastructure pieces are also crumbling.
- There are 86M hours of delays in urban areas but only 7M are trucks. That means that we need to talk about transit as an economic benefit to get people out of cars to unlock the roadways for freight. We also need to talk about providing transportation choice; how can we make transit more enticing and become an empowering option. Similarly, could providing or enhancing alternative modes help us solve or reduce the scale of the project you need to be smaller, less costly.
- I don't think the legislature will be ok with no new projects being built just because we are $6B in the hole.
- If we can demonstrate as a state that we can get big things done, we will leverage our opportunities to get funding. By tackling a big issue in an innovative way to regain our state's reputation for a competitive place for economic growth.

Funding/Cost Savings

- Instead of a single contract through ODOT, there should be smaller contracts/projects that allow smaller contractors to compete against large, out-of-state firms. Look at how OTIA was administered as an example.
- I thought we were going to figure out how to pay for existing major projects. I think the definition for a 10-year plan/MP definition is great, but I didn't think this was the goal. We need to talk about these giant holes in our budget and don't have any room for future major projects.
- Scope creep is real and maybe we should have the local jurisdiction take more ownership of the budget increases.
- HB2017 identified projects but not a funding source.
- Could we release the projects in planning/design (with under-counted funding estimates) now for legislative consideration? We'll have a hard time selling the package without any major projects.
-
- The absence of tolling significantly impacted funding for projects.
- We need to unpack the idea that we can't afford Rose Quarter. Local agencies may be able to carry some of the funding burden. As we recenter our viewpoint for projects, the most important projects should tick as many values/topics as possible. In Oregon, we ask for just enough funding to band-aid things together, instead of asking for what we actually need. That is why the Rose Quarter project is exciting; it's a surgical approach to our needs.
- In Oregon, we say "we can't do the big things" but that misses the harm of continued decay of our declining infrastructure. We need to articulate a ceiling or a well-defined vision for the future along with our current funding constraints and then try to align those two things.
    - For reference, the three counties in Austin, Texas have a budget equal to ODOT's.

- A tolling conversation is different from congestion pricing. One is behavior modification and the other is a revenue stream. People get confused by the two and it's an important distinction.

Major Project Funding Proposal

User Charges

- IBR considered increasing gas within a mile of I-5 to fund major projects from California to Canada. That wasn't a big deal at the service station but would produce money for all major projects in Oregon and Washington.
- If we fund major projects with user fees (tires, gas tax, registration fees), we're set up to fail. The legislature will not keep referring these projects.
  - Even with the Road Usage Charge, the funding is holding steady/declining.
  - We should separate tolling and Road Usage Charge.
- Tolling works for California because they have alternative routes. In Portland/Vancouver, they won't come to Portland to pay the tolls.
  - The lack of sales tax is incentive.
  - Trucks don't have control over travel times.
- Tolling just a third lane would provide choice for drivers and get drivers accustomed to the change.
- Congestion pricing can be revenue neutral; tolling and congestion pricing should both be used.
- Are there policy changes needed if a project is legislatively required, but local agencies or users don't agree to pay? Is there a way for ODOT to pause/stop the project?
  - There is nothing in state law that says any current major project must be built. HB2017 legislative direction/intent was clear, but the statutory direction is very light. The Rose Quarter project is the most explicit, but the money set aside was to look at the project, not necessarily to build it.
  - ODOT would need to say that these projects are not possible to deliver on.
- Tolling was repealed from statute, but we have ability to toll, even if there isn't explicit direction on what/where to toll.
- The Road Usage Charge should be indexed to inflation not the gas tax.

Other

- Instead of a major project funding source, create a list of major projects and let the legislature choose.
- There are constitutional restrictions on the use of funds; in 2017 shifting funds from employer tax for transit was political.
- We're always going to have conflict between major projects and operations/maintenance.
- Consider non-user fees (rental cars, hotels, uber, etc.) that might have political interest and link visitors to the transportation system.
  - These smaller fees are already in use by some local jurisdictions and used to pay for other programs, so there may be conflict with those revenue tools. Additionally, trust with the local level of government is higher than with the state; so cities/counties need to be included in the conversation.
- Cap and Invest is a huge topic this session and is a potential new revenue source. WA and CA have it, so about 80% of the system is built to connect to other states.
- Our final report could propose that the base highway fund covers maintenance/operations while other funding sources pay for major projects.

Messaging/Process

- We should let the legislature know that tolling is needed to get projects built.

- The public and broader elected officials shape what is possible or not. If we are going to seriously talk about major projects, we must talk about tolling and congestion pricing. That means we need a coalition to talk about the benefits of these policy changes. It would feel good to pull in transit agencies as advocates (particularly TriMet). That relationship would benefit ODOT and help stabilize the transit system.
- Should try to get away from the legislature needing to create a large funding package every few years. Focus instead on normalizing funding transportation on an ongoing or every session basis.
- Instead of major projects maybe we describe them as “capacity and safety” projects. It shouldn’t be a funding fight between major projects and maintenance/operations.
- The more generic we can be about funding, the more flexibility we’ll give to the legislators. Don’t give away things that we can use later.

Next Steps

Next Meeting

- Scheduled for Tuesday, August 18, 2026 at 9:00 a.m. to discuss the funding options, prioritizing major projects, and funding tiers/levels, as well as reviewing the memo outline.

Questions/request for ODOT staff

- Send the PowerPoint after the meeting
- Bring back funding options for subgroup input or have someone from FFS attend to discuss funding/revenue options.

Attendance

Subgroup Chair: Lee Beyer, Oregon Transportation Commission Vice Chair
Subgroup members: Marc Butorac, Kittleson; Angi Dilkes, Eames Consulting; JT Flowers, Albina Vision Trust; Larry Gescher, HP Civil; Mark Gibson, Oregon Trucking Association; Nate McCoy, National Association of Minority Contractors Oregon; Indi Namkoong, Verde; Annette Price, PacifiCorp; John Olson, McMinnville Chamber of Commerce; Greg Remensperger, Oregon Auto Dealers Association; Karen Scott, Association of Engineering Employees; Duke Shepard, Oregon Business and Industry
ODOT Liaison: Travis Brouwer, ODOT Deputy Director
Additional Staff: Omar Ahmed, Susan Peithman, and Kat Silva, ODOT; Brandy Steffen, JLA Public Involvement
Absent: Margi Bradway, Multnomah County; **Vision Workgroup Liaison:** Tyler Frisbee, Institute of Metropolitan Studies, Portland State University

Freight Subgroup
Meeting 2 Executive Summary

Location: The Garrett Building, 123 NW Flanders, Portland, OR 97209
Date: Wednesday, July 15, 2026
Time: 10:00 am-12:15 pm

Meeting Objectives

- Confirm understanding of Meeting #1 key points
- Build understanding of current freight needs
- Put into context the funding picture
- Prioritize improvement types for Scenarios 1 and 2

Discussion

During the meeting, the subgroup raised the following:

- General agreement about the current freight needs and the problem statement, with some suggested refinements (see comments below).
- Freight needs visualization: Trying to create holistic, multi-modal view of the needs. Ian Matthews from ODOT presented a GIS-based visualization of the established needs from multiple plans and sources. Navigating through the map allows a user to see links to project, need, cost, and how it serves the OTP goals.
    - Sources were: State Rail Plan, Pinch Points, Intermodal Connectors, Survey responses from marine/aviation entities.
    - Workgroup suggested adding weight limited bridges on freight routes to the data.
- Funding for freight – examples from other states
    - Tennessee taxes aviation, rail and waterway fuels to a special fund (note that in Oregon rail doesn't buy fuel in state, which is not taxed)
    - Texas, Washington, and Florida offer grant funds for roadway connections to maritime ports, seaport projects, public-private ventures, others
    - Connect Oregon seems to rise to the top as an example; desire to keep that going and funded
- Discussion of truck parking strategy (sites, regulatory barriers, permitting, rest area modernization, EV charging feasibility). Trucking time limits/working hour limits and availability of safe places to rest. There are federal and state hurdles to adding additional rest areas. Large truck stops haven't developed in state, potentially due to the barriers of state land use law/regulations

Comments and Suggestions

- Workgroup suggested framing the following into the problem statement
    - State of good repair is critical, make it clear to consider different freight modes (road, rail, ports)
    - Poor operating freight will have an economic impact in Oregon
    - Group discussed emphasizing <u>up front</u> the quantitative estimates of the value and impacts associated with freight industry, for example, putting a dollar figure on the cost of letting the system fall into poor repair
    - Group suggested adding more datapoints, for example:
        - 2 of top 50 and 3 of top 100 truck bottlenecks are in the state; Amtrak service on class 1 rail is affecting capacity for freight
        - Trucking – 1 of 16 jobs in state relate to trucking (per Jana)

        - Gale asked for something measurable – a dollar figure – what is the value of our infrastructure, what is the cost if it falls into a state of poor repair.
        - What is the cost of a truck driver sitting in traffic (which factors into cost of goods)
    - For rail, interest in emphasizing grade separation
- Consider putting sideboards on Connect Oregon funding by mode – think about sharing more equitably among freight mode. Frustration about ability of different modes (e.g., aviation) to show exceptional match for Connect Oregon while others (e.g., Port of Coos Bay) do not have access to similar matching programs from federal or other sources. Consider cap on project ask; consider waiting longer for larger pot of funds to allocate to any one project
- Consider including a recommendation that would reduce the Connect Oregon match rate for Class 1 Railroads for parity (from 50% back down to 30%)
- Reference Case, Scenario 1, Scenario 2 and Scenario 3
    - Reference Case: snapshot in time of current funding

For all scenarios:

- A better understanding of the amount of money assumed by the Pres/Maintenance subgroup for the scenarios would help inform the Freight priorities discussion

Scenario 1: Extending current funding out 10 years

- Maintain Connect Oregon portion of the privilege tax (7% to multimodal); some inflation resilience depending on new vehicle sales, which is approximately $40 million every two years, money needed to be able to take advantage of federal grants. Each cycle (3-4 per decade, fund 16-20 projects), most projects are $1-2 million
- What should be prioritized?
- State Highway Fund
    - Currently focused on paving interstates but not other highways, not painting/striping
    - Major projects are getting funding (Abernethy, IBR Program, initial elements of Rose Quarter), but not to full build out for IBR or Rose Quarter
    - May not be fully responsive to Highway Cost Allocation Study (HCAS) concerns
    - No trucking related increases (no additional funding from State Highway Fund)
    - Bridge and pavement will continue to decline, causing higher shipping costs, detours, rural accessibility problems
- Other issues:
    - Additional delay adds cost
    - Delays to Boone Bridge, others not even on the list
    - Changes recommended to Connect Oregon – remove EV rebate -
    - Identify where multimodal needs would fall through if Connect Oregon shrinks and quantify lost federal match/leverage
    - Build combined metrics so decision-makers see cumulative outcomes (jobs, leveraged funding, congestion from coordinated decisions across SHF and CO)

- Scenario 2: Stabilize and sustain core services – Connect Oregon from $40-60 million per two years; SHF – assume increase of [TBD future discussion]
- Scenario 3: Limited funding increase [TBD future discussion]

Important Points for the Memo

- Problem statement: state quantitative and economic risk; simplify and sharpen the "so what" message
- Reflect the multiple modes of freight in the evaluation and recommendations; consider mode allocation or caps to preserve equity
- Revenue from state highway fund – growing, but looking at inflation adjusted number, declining between 2020 and 2035
- Oregon lacks mechanisms for revenue sources that other states have, but also consider sensitivity about overall tax rates when considering options for transportation funding

- Suggest showing data about what investment in freight yields for economic benefits; what benefit did Connect Oregon yield the state economy?
- Clarify targeted biennial funding levels and number of Connect Oregon funding cycles factoring in the implications of the $50M floor
- Make very clear that we are looking at two streams of funding: Connect Oregon and State Highway Fund. Connect Oregon is the primary funding source for non-highway freight needs so if it is cut or repurposed other modes rail/marine/airports lose their funding.
- Options to reduce barriers (policy or statutory changes) that extend the value of limited funds.

Other Considerations Outside the Scope

- Jason Baloso from WSDOT working with consultants to show how freight moves through different sectors, creating a visualization – ODOT to reach out and see what they might be able to share at this stage
- Washington has a freight something board that identifies how to prioritize spending on freight (ODOT says we have one too, group makes a six-year prioritized list and provide it to legislature)
- Discussion of taxes in different states; discussion of high taxes in Portland Metro area; discussion of car ownership rates by age. Discussion of comparing overall taxes between states (and regions) for context, rather than just comparing vehicles/transportation.
- Charging stations not able to be in rest areas unless the power is given away for free. Private commercial activity is not allowed.
- Lack of industrial lands (especially along rail) is a major challenge for development.
- Land use laws can be a barrier for freight movement and industry

Next Steps

Next Meeting

- Scheduled for 10 a.m., Wednesday, July 29, 2026. It will be hybrid in person at the Transportation Building in Portland

Homework/Prep

- Ports, Trucking Association to share reports with ODOT staff on the economic and jobs impacts associated with their freight industry
- Interest in sharing examples of other funding mechanisms
- Look at Scenario 2, the two funding streams (Connect Oregon & State Highway Fund); what do we need, what would we change, would we change priorities, what would we add in?

Questions/requests for ODOT

- Send summary notes
- Try to quantify the economic benefits from all previous rounds of the Connect Oregon programs.
- Reach out to Jason Baloso from WSDOT working with consultants to show how freight moves through different sectors, creating a visualization – see what they might be able to share at this stage to determine whether Oregon can use a similar approach
- ODOT working on “Rough Roads Ahead” – update to a 2017 report to determine cost compared to benefit. Focused on state-owned highways and bridges

Attendance

Subgroup Chair: Jana Jarvis, Oregon Trucking Association
Vision Workgroup Liaison: Gale Castillo, Brown Castillo LLC
ODOT Liaison: Erik Havig, Statewide Policy and Planning Section Manager
Subgroup members: David Anzur, OFAC / Anzur Logistics; Frank Bubenik, City of Tualatin; Kristopher Forten Grijalva, Oregon Environmental Council; Matt Friesen, Port of Coos Bay; Morgan Gratz-Weizer, Port of Portland; Johan Hellman, BNSF; Ross Lane, GWRR; Mike Quilty, Central Point City Council; Cindy Robert, UP;
Additional Staff: John Boren, Ian Matthews, Kat Silva, and Thor Morris, ODOT; Mara Krinke, Parametrix

Freight Subgroup
Meeting 3 Executive Summary

Location: The Garrett Building, 123 NW Flanders, Portland, OR 97209
Date: Wednesday, July 29, 2026
Time: 10:00 am-12:00 pm

Meeting Objectives

- Confirm understanding of Meeting #2 key points
- Finalize problem statement
- Prioritize improvement types for Scenarios 2 and 3

Problem statement

- Revised the first two sentences: Oregon's interconnected freight network, which includes inland/coastal ports, highways, and railways, is one of the state's highest value assets which supports Oregon's economic growth, job creation, cost of business and more.

Group Charge and Memo Needs

- There isn't enough money; it will result in the decline of the economy and the ability for freight to reach rural communities.
- Public perception is: *If there isn't enough money, why is ODOT building these major projects? ODOT must not be prioritizing things well enough.*
- Despite this public perception, there is a recognition that the major projects (Rose Quarter, Boone Bridge, Abernathy Bridge and I-5) are tremendously important to the movement of freight, and that the existing/worsening congestion adds significant cost.
- Make sure that the freight system is considered as a holistic and interconnected network.
- Are there 5-6 evaluation measures that we can use to compare the scenarios?
  - Yes, we will look at the OTP for those evaluation measures/goals.
- There are several factors that contribute to cost increases on major projects – specifically:
  - Inaccurate and/or low-confidence cost-estimates and cost-projections based on little information on project design, scope, and delivery schedule
  - Impact of local governments and other entities (e.g. MPOs) redefining the scope to include their interests without any financial contribution – delaying or stalling projects that would otherwise move forward
  - Delay and cost of litigation on projects defined by the Legislature
- Oregon is the only state that constitutionally requires cars/trucks to pay their fair share. Oregon has the highest trucking tax in the US. This will be included in the memo.
- In all scenarios it will be important to articulate the importance of not taking money or reducing the size of the Connect Oregon program.
- Recommendations should be kept simple, plain language, and terms for everyone to understand this. Consider framing the outcomes in terms of how many projects would or would not get funded based on the scenario investment levels.

Scenario 2 – stabilize and sustain core services

- Should not consider removing funding from Connect Oregon.
- How did they fund modes before Connect Oregon? Aviation was through that department; moved out of ODOT. There was a little bit of money for rail. There was no funding for ports; it required a bill to pass anything.

- Road and bridge infrastructure is huge for trucking. Weight restricted bridges force trucks to detour or run two smaller trucks instead of one, adding to the cost of freight.
- There is more demand than the opportunity to fund programs/projects from Connect Oregon.
- HB2017 had a sunset on the EV rebate; which was removed in 2021.
- Consider indexing if inflation is used.
- Consider including a multimodal distribution to ensure that it's equitable between modes (ports, airports, rail, trucking).
- Connect Oregon parameters and criteria may need to be revised in the future to continue ensuring the right projects are being selected; it might not be needed for this memo, but a recognition to continually monitor.
- People appreciate consistency and assurance that this funding cycle will be implemented. That will allow people to understand the timing, schedule and apply.
- Anticipate less funding from the federal government over the next funding package.
- There will be a lot of interest since the local match has been decreased from the standard 30%. That means the pot of funds needs to grow.
- Maintenance vs capital funds should be reviewed; this is a concern with maintenance competing for these funds.

Trucking

- Prioritize alternative north/south routes (US 97) for redundancy; as well as east/west (US 20).
- Focus messaging on benefits to everyone.
- Truck parking/rest areas could be placed outside of urban areas to decrease costs. Could the existing rest areas be improved?
- Leverage funds to consider safety improvements.
- We should not alter the 50/30/20 split since there is a huge need to get freight to/from destinations on those county and local roads.
- Would like to protect lane capacity.

Scenario 3 – limited funding increase

- Might want to carve off some Connect Oregon funds for maintenance projects or to help leverage federal funding with a mechanism that ensures the funds return to the pot if funding is not awarded/received.
- What would be a "reasonable - meaningful" increase to the Connect Oregon fund? Connect Oregon was funded at $85M 24 years ago. $80M is double the existing fund level.
- Need to explain the benefit of this scenario (doubling existing funding level); look to the Freight Plan to pull in examples.
- For scenario 2 and 3; it's important to note that the focus will be on increasing the number of funded projects that will include a mixture of smaller and large projects (not solely focusing on funding large projects only).
- Similar to Scenario 2, would recommend setting aside some funds for federal match.
- Need to collect more information from airports/aviation to meet the state of good repair and the jobs that are preserved and created.

Trucking

- Carry over comments/considerations from Scenario 2 (redundant routes; parking; local/county funding).
- East/West oversize trucks routes might be a focus, including swinging traffic signals. Developing this route would positively impact Oregon's economy by
  - bringing in more oversize freight (that usually goes elsewhere)

- encouraging business development along this route (i.e. manufacturing)
- increasing revenue to Oregon and the ports, as well as appealing to heavy industry.

- Climbing lanes would be useful and need to be considered wherever appropriate.
- Intermodal connectors are necessary (rail, air) because the first/last mile is truck.

Other Memo Considerations

- Applications for rail match rate for Connect Oregon.
- Regulations that add time/cost to every project.
- For Major Projects, Canada has a 2-year review period limit. There should be a timeframe on review. Section 106/DEQ review should be considered and coordinated between existing departments. Could there be a reduced review for existing facilities?
- Connect Oregon should adopt a similar cost/payment structure for private and public projects.
- Consider the impacts of zoning changes (in cities) near freight/rail/airports to build housing (e.g. decreased road capacity, noise, air pollution).
- Zoning changes from industrial impacts the rest of the state.
- Consider the impacts of decreasing the fuel and oil storage in Portland on energy/travel cost.

Next Steps

Next Meeting

- Scheduled for 10 a.m., Wednesday, August 26 in Portland and hybrid.

Attendance

Subgroup Chair: Jana Jarvis, Oregon Trucking Association
Vision Workgroup Liaison: Gale Castillo, Brown Castillo LLC
ODOT Liaison: Erik Havig, Statewide Policy and Planning Section Manager
Subgroup members:
Frank Bubenik, City of Tualatin
Kristopher Forten Grijalva, Oregon Environmental Council
Matt Friesen, Port of Coos Bay
Tom Bouillion, Port of Portland
Ross Lane, GWRR
Cindy Robert, UP
Jim Simnitt, Simnitt Nursery
Mike Quilty, Central Point City Council
Additional Staff: John Boren, Thor Morris, and Kat Silva ODOT; Brandy Steffen, JLA
Absent: David Anzur, OFAC / Anzur Logistics; Johan Hellman, BNSF; Sean Waters, Daimler