

OREGON TRANSPORTATION COMMISSION

Minutes of the Formal Monthly Meeting October 23-24, 2014 Corvallis, Oregon

On Thursday, October 23, 2014, at 8:00 a.m., the Oregon Transportation Commission (OTC) and Oregon Department of Transportation (ODOT) staff held a premeeting briefing session and agenda review in the Wells Fargo Bank Room at the LaSells Steward Center/OSU Conference Center, Oregon State University, 875 SW 26th Street, Corvallis, Oregon. Highlights of the premeeting were:

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Director Matthew Garrett led a review of the agenda for the regular meeting and the Commission Workshop.

The agenda review included a discussion of the Jobs and Transportation Act reallocation report to the Legislature, including discussion of how reallocation of funds among projects normally occurs in the absence of legislative earmarks; Director Garrett proposed holding a discussion with the region managers about how they manage their overall financial plans, with various projects coming in under or over budget.

During the discussion of the 2018-2021 Statewide Transportation Improvement Program, Commissioner Morgan questioned how local projects will be evaluated against projects with statewide impacts. Commissioner Mater suggested clearly communicating expectations to ACTs and explaining the rationale for focusing STIP funding on the statewide system.

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The annual workshop and formal monthly meeting began at 9:00 a.m., in the Ag Science Conference Room at the LaSells Steward Center/OSU Conference Center. That evening, the OTC held a working dinner with ACT and Modal Committee Chairs in the Ag Leaders Conference Room.

On Friday, October 24, 2014, at 8:30 a.m., the OTC and ODOT staff continued the Annual Workshop in the Ag Science Conference Room.

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

Commission Chair Catherine Mater
Commissioner Dave Lohman
Commissioner Tami Baney
Commissioner Susan Morgan
Commissioner Alando Simpson
Director Matthew Garrett
Central Services Deputy Director Clyde Saiki
Asst. Dir. Public Affairs Travis Brouwer
Trans. Development Div. Admin. Jerri Bohard
DMV Division Administrator Tom McClellan
Highway Division Administrator Paul Mather

Public Transit/Rail Div. Administrator Hal Gard
Motor Carrier Div. Administrator Gregg Dal Ponte
Transportation Safety Div. Admin. Troy Costales
Communications Section Manager Tom Fuller
Int. Region 1 Manager Rian Windsheimer
Region 2 Manager Sonny Chickering
Region 3 Manager Frank Reading
Region 4 Manager Bob Bryant
Region 5 Manager Monte Grove
Commission Assistant Jacque Carlisle

Thursday, October 23

Chair Mater called the meeting to order at 9:15 a.m.

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Director's Report

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Mary Olson Award Recipients

Director Garrett said the Mary Olson Award was established this year in memory of our late colleague and Oregon Transportation Commission member. Mary was a valuable member of the Commission for almost four years, and an outspoken champion of ODOT. She brought energy, an intellect, and an honest and straight-forward approach that empowered others to advance in their journey. She embodied the notion that public service is a noble cause.

The award seeks to recognize individuals at ODOT that demonstrate the leadership qualities of initiative, innovation, and integrity, and in turn raise the image of the Oregon Department of Transportation. Garrett said the Mary Olson honor is eligible to all ODOT employees and, as director, he selects and awards this accolade. And sees this as the highest honor an ODOT employee may receive for exemplary leadership and service. The award includes a plaque and \$50. The seven individuals awarded today truly animate Mary Olson's passion for leadership, ingenuity, and innovation.

Several years ago, the Motor Carrier division had been exploring technology solutions to reduce the burden of record-keeping requirements for the trucking industry and identifying automated solutions to help motor carriers prepare and submit weight-mile tax reports. The division piloted a project to demonstrate the feasibility of capturing and reporting weight-mile tax data automatically. After successful completion of the pilot project, a New Zealand company called EROAD, Inc. approached ODOT with its weight-mile tax collection and reporting services. In 2013, a public-private partnership opportunity was born, and EROAD began working with the division and motor carriers with its system.

This opportunity didn't just happen; it was made to happen by dedicated and passionate individuals, and it's appropriate to honor those who lead the effort: Ryan Sinks and Scott Lindquist, who took on the complex challenge of auditing the routes and mileage of the vehicles against driver reports, data from EROAD, and real-time audit assessments; Chris Howell, the primary developer of the architecture and application development of the entire IT project, left no detail unattended and his insights and creativity were integral in getting the project off the ground to production capability; Nick Harris, who as IT manager coordinated and oversaw all aspects of the IT project, and demonstrated the leadership qualities of initiative, dedications, and innovation; and Gayle Green, the person entrusted to lead various efforts to conclusion and to be the face of ODOT to the Departments of Justice and Treasury in various attempts to garner their sometimes hesitant cooperation. Gayle was never distracted and remained ever vigilant, bringing clarity of purpose and integrity to the project.

Garrett said it was his privilege to present each of these individuals the Mary Olson Award for Leadership for their efforts.

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Director Garrett acknowledged Gregg Dal_Ponte. He said there is a reason people are leaders. A leader allows them to engage, a leader allows them to realize a vision, and a leader is a person to turn to as a barometer on so many different levels. It is a pleasure to work with one such leader, Gregg Dal_Ponte.

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Director Garrett said the State of Oregon is considered a national leader in the adoption of Intelligent Construction Systems and Technologies. There is one simple reason ODOT is honored with that distinction – Ron Singh. Ron is one of those quiet, unsung heroes and has played a pivotal role in moving the agency forward into the electronic age. His passion for using the latest technology has proven beneficial on so many levels: more efficient construction delivery, reduced equipment usage resulting in reduced emissions, increased quality of the infrastructure, and increased safety. Garrett said Ron Singh is a visionary, he's strategic, he's passionate, and he has improved and advanced the entire profession of geometronics statewide and nationally. Ron was awarded a Mary Olson Award.

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Director Garrett said the long history of labor-management relations has historically reflected the premise of mutual distrust, suspicion, and adversarial behavior. Mike Scott wears two hats – he is an ODOT Maintenance Worker in the Grants Pass area, and he is the President of ODOT Local 730. He is at the tip of the spear for Service Employees International Union (SEIU) in ODOT's Executive Management/Labor Relations meetings. ODOT's relationship with SEIU is healthy, professional and respectful and Mike Scott deserves credit for this robust relationship. Mike models an attitude that effective organizations are based upon trust and effective relationships. He focuses on the interests and underlying issues; he is solutions orientated and always works to develop options and solutions that satisfy the interest of both sides. Mike works in accordance with the following values: honesty, respect, collaboration, transparent behavior, and open communication. Mike describes himself as, "A progressive thinker and

problem solver who's patient, looks at things objectively and makes himself available. Mike was awarded a Mary Olson Award.



Public Comments

Oral and written testimony was received from Mark Libby, American Society of Civil Engineers President-Elect (ASCE) encouraging the Commission to act boldly on department recommendations for implementing seismic resiliency plans. ASCE believes the risk posed by the expected magnitude 9.0 Cascadia Subduction Zone event is significant and real, and that responding to this public threat is the challenge of our time. ASCE commends the department for the thoughtful evaluation which was incorporated into its long-term strategic plan. ASCE supports these efforts and offers its help and support in promoting awareness of, and advocating for, these important measures to the legislature and public.



2009 Jobs and Transportation Act (JTA) Report

The Commission considered approval of a draft report to the Oregon Legislature on the 2009 Jobs and Transportation Act (JTA). Highway Division Administrator Paul Mather presented the draft. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:

The 2009 Oregon Legislature passed House Bill 2001, the Jobs and Transportation Act (JTA). The Jobs and Transportation Act identified 37 specific projects and allocated revenue to 12 local governments, which funded 14 additional projects, in eastern Oregon, for a total of 51 projects.

During the 2012 Legislative Session, the Legislature passed Senate Bill 1543, requiring the Oregon Transportation Commission to submit a report by November 1 of each year to the interim legislative transportation committees identifying funding available for reallocation as a result of projects costing less than amounts allocated in the Act. The bill also required the Commission to provide the committees with a prioritized list of projects that require additional funding to be completed. Attached is ODOT's report including recommendations for reallocations.

Presentation:

Paul Mather presented the annual report on the reallocation of the Jobs and Transportation Act (JTA), and gave a brief history of JTA. The 2009 JTA passed and included 51 earmarks for projects that had project scope and dollar amounts in statute. Any time adjustments are needed to the scope or budget of JTA, legislative action is required. This is the third annual report to the Legislature identifying funding available as a result of completing projects for less than originally allocated, and projects that require additional funding to be completed.

Mather gave a brief recap of the two components of this year's report. The first is Region 1 JTA project savings and the proposed reallocation of those funds. The proposal is to take the Shute Road project savings and reallocate that to continuing the additional lane on Highway 26 further to the west. To do that requires renaming the 185th to Cornelius Pass Road project. Those are the formal actions requested for the first component: renaming the Highway 26 project, and giving the Commission authority to reallocate money from the projects named in western Washington County to that project. The second component is a change request to two JTA projects in Eugene. The proposal is to rescope the Interstate 5 at Beltline project and take those savings and move them to the Beltline at Delta Highway project. From the community's standpoint, the Beltline at Delta Highway project is the larger need.

Mather presented the report to the Commission and request approval to submit the report to the Legislature.

Discussion:

Commissioner Lohman asked if there was anything unusual about this shift of JTA funding as opposed to ODOT's other construction projects. His understanding has been that as projects develop and savings or deficits are recognized, shifting funds from one project to another goes on all the time, but language in the JTA requires any changes be reported on to the legislature in detail. Paul Mather said this is the first time there have been projects in statute, both in scope and dollar amount, and this is the first time there has been the very cumbersome process of reporting to the legislature, whereas typically those type adjustments are taken to the Commission on a monthly basis. Lohman said it's that cumbersomeness he wants to highlight with the hope legislators begin to understand that is one of the prices you pay for earmarking projects – it makes the whole process much more difficult and time consuming from an administrative aspect and it doesn't add anything.

Action:

Commissioner Lohman moved to approve the draft JTA report. Commission members unanimously approved the motion.



Intelligent Construction Systems and Technologies

The Commission received an informational presentation on the benefits of Intelligent Construction Systems and Technologies, which was showcased to nationwide transportation leaders at ODOT's Design to Paver event. Geometronics Manager Ron Singh gave the presentation. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:

The Oregon Department of Transportation, in collaboration with the Federal Highway Administration's Every Day Counts II initiative, demonstrated the latest technologies available for the intelligent construction of infrastructure projects at its Design to Paver event on July 9-10, 2014.

Oregon, considered a leader in the adoption of Intelligent Construction Systems and Technologies (ICST), hosted representatives from 20 Departments of Transportation, contractors and industry for two days of field demonstrations and classroom presentations in the Corvallis area.

Using the latest advances in technologies from GPS to LIDAR to robotics, new intelligent construction systems allow for the creation of 3-D designs that allow operators, using GPS or robotic survey instruments, to monitor the exact location of the machine in the work zone. The automated machine guidance system follows the design and controls hydraulics for precision blade control, accurate within 0.02 inches or smaller.

The new systems also collect as-built data, allowing operators to work faster, more consistently and with less rework. The use of unmanned aircraft can provide digital imagery to visualize job site conditions, review survey and mapping observations, and merge with a terrestrial perspective to document and measure horizontal and vertical objects.

The new technologies and systems are challenging agencies to devise new methods of contracting, inspecting and data storage. The event was designed to equip agencies with the knowledge to move forward with adopting ICST and to reap the rewards the new systems offer:

- *More efficient construction, saving time and money.*
- *Reduced equipment usage, resulting in reduced emissions.*
- *Increased quality of construction, creating a decreased risk of infrastructure failure.*

Presentation:

Ron Singh gave the presentation which focused on engineering and automation at ODOT.

Highlights of the presentation were:

- A brief history of engineering – the First Twenty Five Years
- Engineering Automation – the next twenty five years will be all about information with a new paradigm: data-centric, real-time information, collaborative engineering, ways to manage highway infrastructure lifecycles, automated construction, and intelligent vehicles and highways.
- There are many key concepts to consider, from accepting “disruptive technology”, one that requires changes to long-standing established processes, to digital data and signatures, to real-time networks and 3D point cloud data.
- Automated machine guidance systems that provides equipment operators a visual indicator of the position of the cutting edge of equipment as relative to the design surface being constructed, and machine control, where the cutting edge of the equipment is fully controlled by automation.
- 3D maps to provide design teams a virtual world.
- Design workflow – the past, today, and the future.
- To demonstrate these concepts, the Federal Highway Administration asked ODOT to put on an event for a national audience to provide information and training relating to 3D Design and Automated Machine Guidance for highway construction. The event was called Design to Paver and the target audience included survey, design, and construction staff from 20 state DOTs, Federal Highway Administration, local agencies, consultants, academia and professional societies.
- System demonstrated and examples.

The Commission viewed a six-minute video.

Discussion:

Chair Mater asked if staff has been able to show and document any of the substantial cost savings that should be associated with this technology and if the LIDAR technology worked as well in heavily vegetated areas? Ron Singh said a more programmatic approach to capturing cost savings data has just started, and he noted that contractors have come to us wanting to use this technology because it saves money. As to the question on LIDAR, Singh said ODOT has been using it for a very long time and in various methods from stationary, to mobile methods, to 360 degree imagery that allows asset management inventory, survey work, and a lot of other things because we have this available.

Commissioner Morgan said this all seems to deal with surface and above surface, and asked how this relates to the underlying geology and being able to integrate that information. Singh said this model captures what's above the surface and the utilities under it, and the geotechnical people can take their data captured and integrate it into this model creating the 3D model that has many benefits.

Commissioner Simpson asked how this technology would impact the surveying jobs, what kinks and issues have been identified, and if there was data on how this impacts potential maintenance costs because this should have significant impact on maintaining the life of equipment? In response to the question about cost savings, Singh said he doesn't have actual dollar savings figures, but that the technology has allowed many contracts to expand their operations. He said the technology won't eliminate survey jobs, it will change what they do, and that ODOT has been working with the 3D technology for a long time so most of the kinks are worked out. The major piece left to do is designing in full 3D and providing that data set to contractors upon bidding.

Commissioner Lohman said this is fascinating and has opportunities for new careers.

Action:

Chair Mater requested a report to the Commission about cost savings from this technology as soon as possible.

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2018-2021 Statewide Transportation Improvement Program (STIP)

The Commission received an informational presentation about the proposed schedule for the 2018-2021 Statewide Transportation Improvement Program (STIP), and provided guidance on a proposed application process developed with the assistance of the STIP Stakeholder Committee and Advisory Committees. Transportation Development Division Administrator Jerri Bohard and Highway Division Administrator Paul Mather gave the presentation. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:

At the April 2014 Commission meeting, the schedule for the next STIP was established as the 2018-2021 STIP.

After completion of the **Enhance** process for the 2015-2018 STIP, the Department engaged in a process to evaluate how the **Enhance** process worked for STIP participants and reviewers. The department worked with JLA Public Involvement to conduct an online survey and targeted interviews. The STIP **Enhance** Process Evaluation Reports can be found at the link below: http://www.oregon.gov/ODOT/TD/TP/Pages/STIP_Reports.aspx

Below are the recommendations from the evaluation, followed by the work completed to address these concerns.

- *Training: The surveys and interviews show that both applicants and reviewers desire more guidance and technical assistance to help prepare and review applications. Therefore, the department should explore ways to more effectively assist applicants and reviewers through additional outreach or technical assistance opportunities.*
- *Process: To help improve processes, the report suggests development of a pre-application or the issuance of a notice of intent, and improved involvement from the Oregon Freight Advisory Committee and the joint Oregon Bicycle and Pedestrian and Transportation Enhancement Committee.*
- *Clarifying Key Terms: Due to confusion over terminology, the department should consider defining certain key terms used in the **Enhance** process. This may include outlining the differences between projects of statewide, regional, and local importance.*
- *Criteria: Many applicants and reviewers felt that some type of criteria, whether in the form of specific priorities or general guidance, helps ensure transparency and provide structure. Suggestions on areas where more specific criteria will be helpful include:*
 - *connectivity and system benefits*
 - *safety and public health*
 - *accessibility and mobility*
- *Timing: Although the amount of time provided to complete the **Enhance** application seemed appropriate, the evaluation results suggest that reviewers may benefit from some additional time. The department should consider ways to better facilitate the review process by providing additional time, more resources, and/or more guidance to those involved in the review process.*

The STIP Stakeholder Committee members and the internal leadership committees agreed that the current **Enhance** process is good but can be improved.

Presentation:

Jerri Bohard said the 2015-2018 STIP is wrapping up and is anticipated to come before the Commission in December for approval before going to the Federal Highway Administration (FHWA). An evaluation of the STIP **Enhance** process, including interviews with ACT chairs, region area managers, and a survey sent to all interested parties determined five areas that needed to be addressed for the next STIP process: training, process, clarifying key terms, criteria and timing.

Definitions of statewide, regional and local projects were examined and it was determined that meant projects that benefit the state system. There won't be reference to a definition of regional or local, but rather, what the expectations are when discussing the types of projects most beneficial for moving the state system forward. There was recognition, however, that there will be local and regional projects that regional staff need to be allowed to have the flexibility to have conversations with partners about really strong local and regional projects that would benefit the system as a whole.

Another point that rose up was the insufficient up-front time between ODOT and the applicants to really understand what the project looks like. The extended timeline for the next STIP process allowed the opportunity to frame a pre-proposal, which will replace the application. This will allow a good five to six months for ODOT staff to have conversations with its partners about the types of proposals that should come forward, and give region staff an opportunity to do a better job on scoping and cost estimates on projects that go forward.

The first two steps of the proposed process, the pre-proposal consultation and the ODOT region staff language, are the main changes. The process itself, and what is expected of the ACTs, has not changed so much as the information that is provided to the ACTs is what's different. Hopefully, better information will be provided so ACTs can make more informed decisions.

The ACTs agreed that more flexibility was good, but many, not all, felt more criteria was also needed to give more structure to the process. To this end, consistent language that applied whether talking about a freight, transit, or bike/ped projects was developed. These were connectivity and system benefits, safety and public health, and accessibility and mobility. Definitions were given to each that cut across modes so ACT members and region staff could visualize what benefits proposals coming forward would provide to these attributes.

The next step was to develop criteria, when ACTs go from the 150 percent list to the 100 percent list, to determine where the best benefit will be across modes. The criteria cover economic development, social benefits, environmental stewardship, safety, project readiness, and leverage.

In order for this process to be successful, staff need a good six months to work the process. The goal is to start after the first of the year once the logistical work of putting the documents on the web is completed. After that, the ACTs would not present their 150 percent list until after the Commission has gaveled down on a funding scenario a few months later.

Discussion:

Commissioner Morgan agreed the 2015-2018 process was hampered by changes in the process, new members in many of the ACTS, and the very short, rushed timeframe. The new criteria is a positive thing, but given all the changes, some guidance around criteria would be a good addition. The local and statewide discussion in one that will take time to get arms around at that level, particularly for the small towns that have no budget and rely on this program to do local improvements to their system. Being flexible in approaching this is an important piece and Morgan would like to stay in the loop as that guidance letter is developed.

Recognizing there will be pushback on the local/statewide issues and we should expect to talk about that further. A lot of discussion with the ACTs, in terms of educating them about the new modes and new process, will be required.

Commissioner Lohman said the last STIP process was bumpy, and there will probably be a few bumps in this process. However, staff has done an excellent job thinking through those bumps, listening to people's complaints and concerns, and really trying creatively to address them. He is very impressed with the proposed process. Lohman noted the new process gives ODOT staff the opportunity to be better prepared to have to compete for project placement, something it has not had to do in the past. Lastly, Lohman likes the definition of what constitutes a statewide project, or what qualifies as benefiting the statewide system. It would be helpful to have a few concrete examples of projects not on the statewide system that would benefit the statewide system.

Commissioner Baney appreciates the clarification on the criteria and how this process is laid out. She has some hesitation about this not going back to the ACTs to see if it captures their thoughts. She worries about too much flexibility, particularly where politics are at play, and wonders if we are too prescriptive. There was criticism after the last process when flexibility was added but projects still didn't make the mark. A lot of great work went into applications that weren't reflective of what was needed, so getting feedback early would be beneficial. Gerri Bohard said the new process is framed to allow course corrections. Commissioner Baney also highlighted public health as criteria and asked if economics, or the impact on the economy, was a criteria that was factored in, as well as Lifeline Investments.

Chair Mater underscored the idea of statewide significance of projects and the importance of making sure local and regional areas really understand expectations from the state on down.

Action:

The Commission approved moving forward with the schedule.



Panel Discussion with Cascades West Area Commission on Transportation (CWACT)

The Commission participated in a panel discussion with members of the Cascades West Area Commission on Transportation (CWACT) and considered approval of its updated bylaws and biennial report. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:

The Oregon Transportation Commission originally chartered CWACT in October 1998. The biennial report describes CWACT's procedures and accomplishments over the past two years and demonstrates how it meets the OTC's "Policy on the Formation and Operation of Area Commissions on Transportation (ACTs)" and the Highway Division directive that implements the policy.

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

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

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

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

Discussion:

Members of the Cascade West Area Commission on Transportation participating in the panel discussion were:

- ~ Amy Ramsdell, Region 2 Area Manager
- ~ Roger Nyquist, Linn County Commissioner and CWACT Vice-Chair
- ~ Laurie Starha, Benton County Engineering and Survey Program Manager and CWACT Member
- ~ Bill Hall, Lincoln County Commissioner and CWACT Member

CWACT Vice-Chair Roger Nyquist started the discussion by giving a couple examples of the excellent work ODOT staff is doing at the local level in Linn County. One was the inclement weather situation last winter where Linn County was hit exceptionally hard twice and state maintenance crews and county resources worked together to make the community and motorists safer, and collectively, did a job they could all be proud of. Another was the collaborative work at the state and county level in issuing permits for an annual music festival that has caused serious traffic problems on I-5 in the past. Motorist and our citizens are safer for these efforts.

Laurie Starha concurred, saying the partnerships with ODOT staff allows communication on a level that helps operational staff and to cross over in those areas where we can help one another when necessary.

In response to the three questions posed by the Commission, Vice-Chair Nyquist said Linn County struggles as well with maintaining what it has in this reality where there just isn't enough money to do what needs to be done to satisfy public expectations as well as capitalize on jobs and economic development opportunities. It is frustrating to have opportunities to bring hundreds of jobs to the area, but we don't have the infrastructure to support it, or the resources to build it. Nyquist has concerns about the expectations of ACT members on if going through the STIP process is even worth the time and effort because there are so many projects and so little money. So far, no one in his county has said it is a waste of time.

Lincoln County Commissioner Bill Hall agreed with Commissioner Nyquist on the positive level of local satisfaction and buy-in in the two counties. There are never enough resources to go around, but his interactions with other commissioners and elected officials is that there's a sense of good give and take and each is sensitive to the other's transportation needs. Opportunities will come their way eventually and they are grateful for the things that have been funded and are moving forward. Even the smallest of projects can be a strong economic driver. He agrees that if the balance is tipped, it should be on the side of preservation. There are some real challenges in soil stability and erosion in Lincoln County, just like each county has its own unique challenge.

Chair Mater asked panel members what the OTC can do to convey its highest level of appreciation for the work ACT members do and the many hours they spend making those selections. What can the Commission do differently to encourage continued participation of members? Commissioner Nyquist responded that the reason it has worked so well this far is the ODOT staff and what they are doing. Staff are honest and straight forward about what the funding situations look like and, correctly, err on the side of giving too much information, sooner rather than later. But, he said, it's hard to avoid that tipping point when you have \$50-60 million statewide and the line could easily be moved to err on the side of preservation, and go through a cycle where there was no STIP.

Director Garrett asked what the ACTs need going into the new STIP process to maximize the communication and assure they are getting the direction and leadership needed to do the work on the ground. Nyquist said there are differing views at the local level about the underlying policy and the real question is how to maintain the good teamwork approach we have today and also bring everyone together instead of continuing to have different philosophical views about allocations for different modes of transportation.

Commissioner Morgan asked how the ACTs are grappling with the fact that bike/ped and transit are now linked into the discussion. Nyquist responded the ACT's approach is what's best for their area and how their projects are going to compete regionally and on a statewide level to be funded. There has not been a situation where, based on criteria and the attractiveness of a project, a bike/ped project has been thrown out on the basis of mode or in an attempt to get more money on a modernization or road project.

Chair Mater said part of the solution is for the varying different modes of transportations is to instead of continuing to think of them in isolated project silos, to really encourage innovative design work that incorporates these. There are some amazing leveraging opportunities that are not being taken advantage of.

Commissioner Lohman said the Rogue Valley ACT has gone through a tough period this year, and consequently he has been paying close attention to the different bylaws as they come for approval. The CWACT bylaws are basically a set of ground rules for some pretty complex, collaborative, political and technical decision making. He said it is a model of clarity, making it very clear that each jurisdiction gets a fair opportunity to be heard and considered.

Laurie Starha spoke on behalf of Commissioner Linda Modrell who was not able to be present, and Benton County. From an economic standpoint, balancing some of the *Enhance* to be able to hit on those areas where we know it is going to bring economic development into those areas. They also looked at transit for Oregon State University where there is an increase in population and a lot of commuters from Linn County for schooling, and recognize they have to look at the multimodals and the challenges on how to address that. If there is out of the box thinking on how to meet those challenges, like looking at going through the certification process to offset some of those costs by using in-house staff to do design, it has helped meet some of those challenges. However, the certification is time consuming and cumbersome, and it would help if the process was streamlined or mini-certifications created.

Chair Mater asked Director Garrett to bring a presentation to a future meeting about the area of field certification and cost reduction, and where we are at with that process and how we can help accelerate that.

Laurie Starha commented on resiliency within our communities. Coastal communities will be impacted heavily when the “big one” comes. Keeping those transit options viable so they don’t go by the wayside is important to keeping those areas mapped and open for those needing to make their way from the coast to the valley.

Bill Hall said the south side of the existing bridge at Yaquina Bay is where growth opportunity and potential is centered in that area. There are unique and ambitious opportunities that will be the 21st century economic drivers for the central coast of Oregon.

Director Garrett said he agreed with Commissioner Lohman’s comments about CWACT’s charter being a very solid document. If she understands correctly, each entity that makes up the ACT has one vote. He asked if there had ever been any issues with some of the larger cities that their vote is given an equal weight as the smaller cities. Roger Nyquist said that has never happened. The ACT truly views it as a regional system and people sit down, operating in good faith to make reasonable decisions.

Action:

Commissioner Lohman moved to approve the updated CWACT bylaws and biennial report. Commission members unanimously approved the motion.

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Consent Calendar

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

1. Approve the minutes of the August 21-21, 2014 in Ontario, and the September 18, 2014, Commission meeting in Salem.
2. Confirm the next two Commission meeting dates and the 2015 meeting dates:
 - Wednesday, November 21, 2014, meeting in Eugene
 - Wednesday, December 18, 2014, meeting in Salem
 - 2015 OTC meeting dates and locations
3. Request approval to adopt a resolution for authority to acquire real property by purchase, condemnation, agreement or donation.
4. Request approval of the following Oregon Administrative Rules:
 - a) Adoption of 735-061-0210 through 735-061-0390 relating to a DMV pilot program for third-party Class C testing and drive tests.
 - b) Amendment of 735-150-0037 relating to vehicle dealer records.
5. Request approval to submit the attached proposed proclamation to Governor Kitzhaber for his signature designating December as “Drinking and Drugged Driving Awareness Month.”
6. Request to appoint Mr. Pete Happy to the Winter Recreation Advisory Committee. Mr. Happy is a new appointment to the Winter Recreation Advisory Committee as a ski area operator representative to fill the balance of the term vacated by the resignation of Mr. Kim Clark. The term for this appointment will expire in June 2017.
7. Request approval to remove the Sno-Park designation from the portion of the Timberline ski area parking lot known as the “Lodge lot” or “upper lot” from the winter recreation parking location (Sno-Park) program. Timberline ski area is located on Timberline Highway No. 173 in Clackamas County.
8. Request approval to amend the 2012-2015 Statewide Transportation Improvement Program (STIP) to cancel the Oregon 99E at 53rd Avenue Signal Modifications project located in the City of Albany. This project was funded with federal funds allocated under the 2010 Consolidated Appropriations Act.

Action:

Commissioner Baney moved to approve the Consent Calendar. Commission members unanimously approved the motion.

Annual Workshop

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Workshop Item 1

Lunch

Over lunch, at 12:30 p.m., the Commission and ODOT staff discussed regular issues in the Wells Fargo Bank Room.

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Tom McClellan of Oregon DMV provided an overview of implementation of the driver card legislation should Measure 88 pass, including a two-stage appointment process and the phased rollout at DMV offices around the state. Commissioner Mater questioned whether the two-stage appointment process might be inconvenient for customers.

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Director Garrett introduced John Njord of Tom Warne and Associates. Mr. Njord and the Commission members talked about the format of the afternoon presentation and also discussed trends impacting the movement of freight, including growing volumes of fossil fuels moving by rail.

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Workshop Item 2

The Transportation Research Board - Long Range Strategic Issues for Transportation

The Commission received an informational presentation, and participated in a discussion on the strategic issues facing transportation agencies in the future. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:

The transportation industry will face new and emerging challenges in the future that will dramatically reshape transportation priorities and needs. These challenges may come from the impacts of demographics, life style expectations, changes in land use patterns, or from the impacts of major global trends such as climate change, changes in the cost of fuels, and new technology. The American Association of State Highway and Transportation Officials (AASHTO) allocated funds to examine long range strategic issues, both global and domestic, that will likely affect state departments of transportation and directed research in seven key areas.

- *Economic Changes Driving Future Freight Transportation*
- *Expediting Future Technologies for Enhancing Transportation System Performance*
- *Long Range Strategic Issues Affecting Preservation, Maintenance, and Renewal of Highway Infrastructure*
- *Preparing State Transportation Agencies for an Uncertain Energy Future*
- *Climate Change and the Highway System: Impact and Adaptation Approaches*
- *Effects of Socio-Demographics on Travel Demand*
- *Sustainability as an Organizing Principle for Transportation Agencies*

John Njord, Executive Vice President of Tom Warne and Associates, LLC and former Executive Director of the Utah Department of Transportation for twelve years, will present information gleaned from this research. After his presentation; the Oregon Transportation Commission, ACT and Advisory Committee chairs will engage in a discussion based on his presentation.

To help facilitate discussion on the issue, the following questions should be kept in mind: “Planning for the future of transportation is not something new or innovative. We have done it for decades. Beginning in the 50’s we planned for and delivered a national transportation network, launching an era of unprecedented interstate commerce and growth, and the era of the automobile. Since then, travel has consistently grown, often beyond our expectations. What will the future hold in terms of travel, modes share, and growth? Will individual travel continue on a growth pattern consistent with the past, or have we reached a tipping point?”

Consider the following questions in terms of the transportation future in Oregon:

- *Does planning for the future really matter?*
- *What if the oil fueled auto era ends or changes significantly?*
- *What if engineering practices must be upgraded to ensure resiliency to new natural disasters?*
- *What if a disruptive technology eliminates human drivers?*
- *What if tomorrow’s economy requires significantly different freight patterns?*
- *What if we have lost our appetite for driving?*
- *Finally, if you knew the answers to all of the above questions, could you positively predict exactly what the transportation future looks like in Oregon?”*

*Additional information about the Transportation Research Board can be found at URL:
<http://apps.trb.org/cmsfeed/TRBNetProjectDisplay.asp>*

Discussion:

Director Garrett started the discussion by introducing John Njord, Executive Vice President of Tom Warne and Associates, LLC., who led the first phase of the discussion on the significant amount of work done by the Transportation Research Board. The second phase of the discussion was panel member’s reaction to comments made in the first phase.

Participating in the panel discussion were:

- ~ Mike Laverty, Oregon Transportation Safety Committee Chair
- ~ Mitch Swecker, Department of Aviation Director
- ~ Gary Thompson, Lower John Day Act Chair, Sherman County Judge, AOC First Vice President
- ~ Shirley Craddick, JPACT Vice-Chair, Metro Counselor
- ~ Martin Callery, Port of Coos Bay Chief Commercial Officer, Southwest ACT Chair, Oregon Freight Advisory Committee Vice-Chair
- ~ Alan Unger, Deschutes County Commissioner, Oregon Freight Advisory Committee member, Central Oregon Area Commission on Transportation member
- ~ Mike Hayward, Wallowa County Board of Commissioners Chair, Northeast Area Commission on Transportation Chair

- ~ Ken Woods, Mid-Willamette Area Commission on Transportation Chair, League of Oregon Cities Transportation Committee Vice-Chair, Dallas City Council member
- ~ Steve Grasty, Harney County Judge, Harney County Public Health Administrator, Southeast Area Commission on Transportation Co-Chair
- ~ Jenna Stanke, Jackson County Bicycle and Pedestrian Program Manager, Oregon Bicycle and Pedestrian Advisory Committee Chair
- ~ George Grier, Lane Area Commission on Transportation Vice-Chair, Lane County Farm Bureau Treasurer
- ~ Julie Brown, Rogue Valley Transportation District General Manager, Public Transit Advisory Committee Chair, Oregon Transit Association Vice-Chair
- ~ Mike Montero, Rogue Valley Area Commission on Transportation Vice-Chair, Oregon Freight Advisory Committee member
- ~ Susie Lahsene, Port of Portland Senior Manager for Transportation and Land Use Policy, Oregon Freight Advisory Committee Chair
- ~ Mark Gardiner, State Aviation Board Member
- ~ Roger Nyquist, Linn County Commissioner

John Njord gave a presentation about the future of transportation. Highlight of the presentation were:

- o We can't predict the future, but we can identify signposts pointing in the right direction.
- o One overarching theme, a shift from prediction to preparation.
- o Multiple futures – based on current momentum, global chaos, technical triumph, and general footprint.
- o Seven cross cutting questions:
 1. Will DOTs work differently in the future?
 2. Will the economy stay global?
 3. What is resilient infrastructure and how much does it cost?
 4. What if there is no more driving, but VMT still rises?
 5. Where are the next boom towns?
 6. Do cars fill up or plug in?
 7. What's the relationship between more senior Americans and transportation?
- o Six reports resulted from the Foresight 750 Series: demographics, energy and fuels, sustainability, freight, climate change, and technology.
 1. Freight – Explore and plan for the future of freight with a scenario planning toolkit. How do we accommodate truck traffic within our country in such a way that the economy thrives and we can still have business opportunities to get goods and services to people? Vital signposts are volume, technology, protectionism, and e-commerce.
 2. Climate change – how to prepare for extreme weather events? Vital signposts are population growth, extreme weather, and sea level change.
 3. Technology – how to select the right technology investments at the right time? Vital signpost include fuel prices, new fuels, improved efficiency, and alternative fuel vehicles.

4. Sustainability – how to organize DOT’s for a sustainable future? A shift from short-term needs to long-term sustainability. Vital signposts for sustainability include population, economic growth, energy, and technology.
5. Energy and Fuels – Identify and assess strategies for a variety of future energy scenarios. Vital signposts include technology, driverless cars, and costs.
6. Demographics – How do we model and envision the transportation impacts of shifting demographics. Vital signposts include life expectancy, VTM, and immigration.

Martin Callery said technological advances will create two tiers of drivers, the people that have the technology with a new vehicle, and the ones that will be excluded because they can’t afford the technology or for a variety of reasons don’t have the new technology in their vehicle. This exclusion of a portion of the population exasperates the issue of “what am I paying for as a tax payer?” John Njord said conversations with the auto industry showed their thoughts to be that the upper end vehicles like BMW and Mercedes first, but will become incorporated in all cars at some point like seat belts and anti-lock brakes.

Susie Lahsene said what’s missing, when talking about technology and freight, is a relationship with the businesses themselves to really understand the limitations of the transportation system, and to have the businesses truly understand the issues of the transportation system. Businesses sometimes assume that as transportation providers, ODOT can fix the problem, and if ODOT is unable to, they can just move the business. Engaging the business community more is vital to solving some of the problems as it relates to freight movement.

Lahsene expressed concern about the de-evolution of responsibility of the national freight system down to states or a lower level. If there is not more direction at the federal level about the importance of some parts of the system, we will end up with an organic system that’s not connected well and is terribly inefficient. Njord said the national freight system has evolved to the point where some vehicles are legal in one state, and illegal in the next. There are laws in certain states that are illegal in other states, creating an out of sync system. Is that what we want to be?

Steve Grasty said we have some of the biggest technology companies in the world located in Oregon, and we don’t go to them and say help us think through this. In addition, we’re not dealing with capacity and taking advantage of smart traffic lights and traffic counters already in place that could be hooked up relatively inexpensively with a little bit of help.

Mike Montero represents a large agricultural firm, and part of its risk assessment is the performance of the freight infrastructure. If making a land investment for an agricultural future, of \$50,000 per acre for fruit trees that will show no profit for seven years, the question is, how are you going to distribute this value-added product? During the holiday season, people in the Rogue Valley are very much concerned about congestion at the Port of Portland. If that’s not bad enough, the change in the federal safety hours for drivers requiring them to pull over after a period of time, means a visit to the Department of Land Conservation and Development to see if their land use policies allows for development and construction of those facilities. In most places, it does not. Oregon is a leader in many, many things, and there are

great studies and great policy work waiting for the connective tissue to be developed. Part of that connective tissue is right here in this room.

Julie Brown said the Rogue Valley Transit system was one of the first, back in 1996, to install natural gas fueling, and they questioned what they did it because the technology wasn't there. There is such a difference in technology now that the transit system upgraded, through a *ConnectOregon* grant in 2012, to a system where they are now fueling to the public. The transit district has seen an increase to the point where they almost can't handle it, of people coming in because they are the only point in southern Oregon to fuel until Portland. Rogue Valley has an air quality problem, and this one of the ways it is being addressed by reducing the pollution. Natural gas is \$1.77 the equivalent of what is paid for gasoline. The equivalent fuel tax is still collected on these vehicles.

Martin Callery said urban areas have many more options. Rural area transit operations usually struggle year to year with operating costs because in addition to being a rural area, there is a lot of poverty. Options aren't there for rural port environments, and that is a real challenge going forward. We're not planning enough to address this, but it all comes back to sustainability and how you cover the costs.

Julie Brown said the State of Oregon really does not fund transit at all. Most of the money that comes through is federal money, and they have to locally come up with a match to the federal dollars. Young people are starting to not get driver licenses and they are going to need that transit. This is not an urban problem only, it is a problem all over the state of how to provide transit to the people that need it.

Jenna Stanke said the issue of elderly drivers is near and dear to her because her 70-year old father has dementia and should hang up his cars keys. The reality is they can't get to that point because it takes away his livelihood. With those options, it reduces someone to a non-contributing member of society, and if we do not provide those options, people like her father will continue to drive even though they should not.

Steve Grasty said one thing being done wrong is that this is the Oregon Transportation Commission and we shouldn't be making economic development decisions and should not be making decisions on where economies ought to be, we need to be responding to it. There are about twelve boards out there that ought to be having this conversation about the future of sustainability. He hopes one of the outcomes of this is that those groups get together and have exactly the same conversation.

Director Garrett said Judge Grasty is spot on, and that's the charge given to us by Governor Kitzhaber, to break the silo approach we've taken for every portfolio. That goes back to Chair Mater's conversation that we need to start connecting the dots between agencies.

George Grier said the Lane ACT just recently convened a meeting between ACT members and Lane County health care providers to better understand the nexus between transportation and future health decisions in the County. It's interesting because neither spoke the same

language, but they had to cross those barriers. The conversation has to be more integrated and broader than it is right now.

Mike Montero agreed. There is a lot going on at ODOT that all of us are coming to be very proud of. For example, as part of the STIP process, a new member was added from the Oregon Health Board, which a lot of people curled up their noses at, saying it was just another nose sticking in the troth. Not quite. In Jackson County, the Health Board is presently having discussions on how they might participate in that dialogue because they have hard data on what the public cost of juvenile diabetes is, which is staggering and getting worse. The Health Board has money and can contribute to the whole transportation policy discussion.

Chair Mater asked the panel members what the Commission and ODOT could do to help accelerate a funding component to start to bring that kind of innovation together. Mike Montero said the pieces are there in the IOF program and the STIP process, that integrates into their process for evaluating transportation investments a more holistic view and it requires us to have a dialogue about what we have just talked about with health care and land use people at the table. Montero said his dream solution is a pilot program that has funding, where instead of having to risk your neck in the political arena by saying you're making some huge policy change that's going to apply everywhere and we will either sink or swim, have funding where if a town comes up with an innovative solution and wants to take it on as a pilot, let them prove out. If they can accompany that with a template of measurable deliverables out of it, take a chance.

Judge Grasty said no matter the funding source, you've got to allow enough flexibility that we can work them through it. *ConnectOregon* is a classic example. It started out very broad and streamlined, and the legislature narrowed it down until it's regulated exactly the same everywhere. Jumping through all those hoops slows down the ability to be creative.

Mike Hayward said in eastern Oregon if anything is going to get done on federal land there has to be collaboration, which is extremely painful and extremely slow. The first commitment people have to have is the long-term commitment of bring other parties to the table. We need to stop getting bogged down in trying to plan for any scenario that might occur in a doomsday situation. We need to shorten up our planning a bit to our best guess of what will happen, otherwise there will never be an ending, we'll just keep planning.

Mitch Swecker spoke about a presentation on a charter service with a concept based on on-demand travel as opposed to regularly scheduled travel.

Mark Gardiner said there were lessons learned in the aviation field in the downturn that came with the financial collapse of 2008. What happened was exactly what someone mentioned earlier, more travel with fewer vehicles, but more bodies in the vehicles. Technology has increased flight efficiency on many levels and through systems that autonomously separate aircraft traffic and increase the capacity of airports. Gardiner said he is of the opinion that we are underfunding the systems and if we raised user fees for the transportation system, that would take care of the roads and discretionary funding could be used for the modes that are not allowed under the restrictions of the Constitution.

Martin Callery said we've talked about collaboration and leverage, and there is an opportunity here when you look at consistent capacity. The capacity of rail to move commodities takes such a large number of trucks off the highway and we need to find ways to collaborate to leverage the investments we can make. We are restricted by the gas tax issue, but where can gas tax be invested or where can *ConnectOregon* be invested. If you want to take more trucks off the road, let's not look at system constraints as strictly the height of a bridge or the width of a tunnel, let's look at opportunities to create intermodal connectors so that even more trucks can come off the system and go on the rail system.

John Njord closed the discussion with a comment on the discussion about freight. He said the Alameda Corridor in California is one of the most successful freight projects seen recently, and is exactly what we have been describing. The reason it was so successful was it took great opportunities to limit the number of trucks based on the rail operations.

Njord said he has witnessed today something he has not experienced in 25 years of transportation work. Njord said Director Garrett was very generous in introducing him, and that this DOT is the envy of many DOTs. Njord said he has never experienced this level of dialogue in all of his years at the Department of Transportation in Utah. He applauds what Oregon is doing and he envies our interest in making multimodal, intermodal, global sort of discussions about what to accomplish next within our realm of opportunities. Njord said the concept of using non-traditional funding sources to solve transportation was a discussion they just started in Utah. All Oregon has to do from this point, is just say we are going to be point on this and we're not going to tell you no, we're going to try and figure out how to say yes. The department has shown a willingness to figure out how to say yes.

Chair Mater thanked Mr. Njord for the excellent presentation and discussion.



Chair Mater adjourned the meeting at 5:11 p.m.



The OTC held a working dinner with Area Commissions on Transportation (ACT) and Advisory Committee Chairs and ODOT staff in the Ag Leaders Conference Room to continue discussion about the challenges laid out by the Transportation Research Board and its impact.

Friday, October 24

On Friday, October 24, 2014, at 8:30 a.m., the Oregon Transportation Commission (OTC) and Oregon Department of Transportation (ODOT) staff continued the annual workshop in the Ag Science Conference Room at the LaSells Stewart Center/OSU Conference Center, 875 SW 26th Street, Corvallis.

Chair Mater called the meeting to order at 8:40 a.m.



Workshop Item 3

Preserving the Condition of the Highway Infrastructure

The Commission received an informational presentation on preserving the condition of the highway infrastructure that included a number of modules that discuss the past, present, and future of ODOT's efforts to preserve the condition of the highway infrastructure. Highway Division Administrator Paul Mather, Transportation Development Division Administrator Jerri Bohard, Assistant Director Travis Brouwer, and State Bridge Engineer Bruce Johnson gave the presentations. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:

To prepare for future conversations about the needs of Oregon's transportation system, the informational presentation gave background in three key areas. Included in each were an overall need statement and the impacts to Oregon's economy if no action is taken.

The first presentation was on the completion of the 10-year OTIA III Bridge Program, and gave an overview of the program and how it met the five goals set for the program when it started. Overall, the program has been very successful in securing key freight routes and delivering jobs to Oregonians. The \$1.3 billion program was completed on time and under budget.

The next presentation was an overview of the condition of the state highway system. As this system continues to decline, there will be a significant impact to Oregon's economy. The presentation outlined the impacts of jobs lost and overall stifling of the economy caused by the deterioration of the state highway system.

Finally, the Commission was updated on the latest work to understand the needs to armor the state highway system against a major subduction zone earthquake. This new work has combined the work needed to improve overall bridge conditions and to ensure we are doing seismic retrofitting on healthy bridges.

Presentation:

Paul Mather started with the presentation: Leaving a Legacy – the OTIA III State Bridge Delivery Program. Highlights of the presentation were:

- A history of bridge designs, bridges built to last 50 years have reached maturity and are starting to crack. \$4.7 billion identified in needed bridge work.
- 70 percent of goods in Oregon are moved by heavy trucks – bridge restrictions impact the economy.
- The OTIA III State Bridge Delivery Program was created with \$1.3 billion to repair or replace 365 bridges, create jobs, and secure key freight corridors.
- A shift in how ODOT did business, from a department that did all the design and construction ourselves, to handing off this major program.
- The five goals of the program were: stimulate the economy, cost-effective delivery, maintaining freight and traffic mobility, stewardship, and capitalize on funding opportunities through external grants and leveraging.
- Bundling was very successfully used to deliver many aspects and goals of the project and keep costs down and mobility in the corridors.
- One of the programs greatest successes was streamlining the permit process. New relationships were created with regulatory agencies as ODOT pioneered the initiative on programmatic streamlining.
- Oregon was recognized nationally for its three tiered approach to mobility – program, corridor, and project.
- Stewardship efforts of environmental performance standards and connecting with communities.
- The program and received well over fifty awards at the local, state, national and international level.

Condition of the System -Paul Mather - Highlights of the presentation were:

- ODOT Construction Programs: *ConnectOregon*, ARRA, OTIA, JTA, STIP
- Pay a little now, or much more later
- Pavement conditions fail as funding declines
- Only the interstate will survive. Regional and district highways “orphan highways”, and many times our smaller cities’ main street, are being ignored.
- Most Oregon bridges are beyond design life
- OTIA bridge investment needs to continue and bridges need new funding
- The hidden problem of culverts - \$95 million is needed each year to maintain today’s condition of Oregon’s 34,000 culverts. ODOT spends \$12.5 million per year today
- Maintenance budget trends and shifting priorities – more reactive maintenance, more load postings of bridges, and rough-roads with posted speed reduction. As money is diverted to maintenance, less money is available for projects and the system will deteriorate faster and require more funds in the future.

Rough Roads Ahead – Economic impacts of highway conditions - Jerri Bohard- Highlights of the presentation were:

- Impacts: fewer future jobs (more than 100,000 forfeited); reduced Oregon gross domestic product (GDP); and higher truck freight and auto vehicle operating costs
- Goods moved by heavy truck are important for Oregon’s economy

- Heavy trucks carry many commodities, from sand and stone, to machinery, to farm products, and trucks carry over 70 percent of freight moved in Oregon
- Exports depend on transportation and poor bridge and pavement conditions mean higher transportation costs
- Economy modeling: the economy, land use and transportation integrated within one model
- Current funding projections scenario and maintaining current conditions scenarios
- Deteriorating highway conditions impact economic activity and industry production and leads to fewer jobs, reduced GDP, and increased vehicle operating costs
- Estimated jobs forfeited due to rising transportation costs associated with declining highway and bridge conditions
- Conclusions: Investing in the highway system to maintain current conditions will support Oregon's economy, preserve more than 100,000 jobs, preserve industry production, and avoid higher vehicle operating costs

Director Garrett said it's important to clarify the jobs numbers because this is a significant part of the narrative, and we need to be crisp on it. It may be just as important as the infrastructure conversation because it puts paychecks in people's hands and it's all about jobs.

Becky Knudsen spoke about the "swing model" and how it mimics or simulates business and people's behavior in the environment of the economy. It literally goes through the transactions that occur as households take children to school, they go to work, they receive a paycheck, and they use their money and buy things. The model is run for a 20-year period and a 30-year period and then the two different versions (maintain conditions and non-maintained conditions) are compared.

Chair Mater said she is not comfortable using this data as there is no method to go back and verify the accuracy of the data. She needs a higher confidence level before going to the legislature that what she's seeing is real, and asked if there was a way to hone in and tighten up this data so it's based on some historical data that is verifiable. Travis Brouwer said the report will go out to the Commission soon, and that helps show some of the math behind the information. He said you have to realize that through the magic of compounding, the difference in growth rates projected under our base scenario versus the dis-investment scenario is very small. It only takes a tiny reduction in the annual job growth rate to compound to 100,000 jobs forfeited by 2035.

The Oregon Resilience Plan, Oregon's response to a major seismic event – Bruce Johnson. Highlights of the presentation were:

- The plan, required by legislature, is a comprehensive plan developing a strategic approach for Oregon. Transportation is critical.
- Retrofit works. It increases resiliency, significantly reduces secondary loss of life and long-term economic losses. There are two phases to retrofit: Phase One, Retrofit for Life Safety, to hold the bridge together, and Phase Two, Retrofit for Serviceability, to keep the bridge functional after the earthquake.
- Strategic planning is critical to success and will require widespread consensus.
- Highway bridge losses and damage to Metro bridges predictions.

- Landslides are a big issue.
- Plan for the long-term: enhanced design and maintenance standards, temporary bridge policy and program, research on retrofit strategies.
- Oregon Highways Seismic PLUS Report shows \$350 billion in loss.
- Lifeline route selection covers three main principles: survivability, life support, and economic recovery.
- The total Seismic PLUS program cost was divided into 5 phases to get those costs down to a manageable amount. Phase 5 is new and consists of about 12 major structures that are big cost drivers. A conscious decision was made to pull those projects out and put them at the bottom of the list, because while they may fit in Phase 1 from a lifeline standpoint, they would bog down implementation in getting to the major areas of the state.
- California and Washington are way out in front of Oregon.
- Plan recommendations – begin immediately to prepare critical state highway bridges and the transportation system to withstand a major earthquake.

Commissioner Morgan asked if there was a major subduction event, would Washington or California be in a position to help Oregon, or would the degree of damage be so great we all will be on our own. Mather responded that some of the latest research shows that, historically, a major event that just affects the southern Oregon coast occurs twice as often entire fault zone events. If it is only a portion of Oregon, Washington may be able to help us out. If it is a full zone event, Washington will be in the same boat, and we'll be looking to the east and maybe south for help.

Commissioner Lohman said he is struck by the extent that all these scary numbers really don't take into effect the overpasses and viaducts. In Jackson County, even if they were able to do all five phases of the retrofit, there would still be incredible disruption for a long period of time.

Commissioner Baney said it would be beneficial to know how we will deploy ourselves to be able to get to these areas.



Workshop Item 4
Funding Opportunities in 2015 and Beyond

The Commission received an informational presentation about the efforts to develop a transportation funding and policy package for the 2015 Legislature from Victory Group President Craig Campbell. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:

The Oregon Transportation Forum (OTF) is a membership organization that encourages development and maintenance of transportation modes for the safe and efficient movement of people and products to encourage integration of highway transportation with other modes including

pedestrian, bicycle, air, transit, marine, and rail. The group includes a large number of members across the spectrum of transportation stakeholders representing the business community, transportation agencies, user groups, and others. The Forum provides members an opportunity to network with elected officials and with leaders in the transportation community.

The OTF is developing options for transportation funding and policy legislation in the 2015 legislative session. The OTF has created groups within its membership to flesh out options in the following areas:

- **Enhance**, focused on improvements to the system across all modes.
- **Fix-It**, focused on maintaining the system and current service levels.
- **Innovation**, focused on new funding and policy options.

The OTF membership and Board will decide in November whether to forward a recommended funding package to the Legislature for consideration.

Presentation:

Oregon Transportation Forum (OTF) President Craig Campbell started the discussion with a brief history of OTF and how it got to the well-rounded, collaborative group it is today. OTF has met for the last year to determine recommendations for the 2015 legislative process.

Campbell said it is very important that we no longer consider transportation funding and policy packages as purely highway funding packages. That time is over and we need to move to looking at the transportation system holistically. The highway system itself, cannot take on the entire responsibility of moving people. As we look at transit, bike/ped, the critical elements for freight movement and the connectivity there, we have to find out how our critical links between those systems are facilitating the efficient use of the whole.

That being said, OTF looked at a variety of proposals and are narrowing those down to what is politically feasible and viable, but still moves us down the road on what we need to do with transportation needs in Oregon. When the OTF votes on its recommendations on November 6, Campbell assumes there will be an element of that's package that deals with maintenance and preservation, specifically one dealing with highway costs because of the return on investment and the additional costs if you fail to address maintenance needs as they arise. The second element will be a package that deals with modernization and expansion of the highway system to deal with bottlenecks that have been adversely affecting freight and preventing the economy from growing.

In addition, OTF is looking at the idea of "indexing" for fuel efficiency in the automobile fleet. This is a preliminary step only, because as we go forward with gas tax and so forth, there's also discussion about alternative tax for automobiles – the Road User Fee. The Road User Fee pilot program will launch soon to determine whether technologically we can do that, so we are not moving too fast until we know that technological implant works. This only affects automobiles because trucks are already on a weight-mile tax system.

The other element is "orphan highways." Eventually, there has to be a larger discussion about who is the proper jurisdiction to control various parts of the transportation system. As our

systems have changed, the need for who's responsible for making decisions has changed but we have not had the flexibility to do that. OTF is sticking its toe in the water with a proposal to assist in the transfer of orphan highways from one jurisdiction to another. This can be done now through a negotiated exchange, but those are costly exchanges as taking on a new road or highway involves new funding obligations that may not be in the jurisdiction's current budget structure.

Campbell said *ConnectOregon* has been one of the more successful programs, and the reduction in amount of money made available last time makes it difficult to talk about using *ConnectOregon* as the starting plan for nonhighway modal funding. We need to ultimately look for a stable and protected source of funding for modes of transportation other than highway. OTF is looking at asking the legislature to restore *ConnectOregon* to its previous amount of \$100 million.

Chair Mater noted that OTF reports independently to the legislature and asked what happens if the forum has a conflict of direction with the OTC. Campbell said that, recognizing that the OTF is a conglomeration of the stakeholders, the legislature looks to the OTC for leadership on policy and funding around transportation issues. The forum provides the political reality of those in the building on a day to day basis, trying to achieve their needs through the legislative process.

Campbell reviewed some of the lesser recommendations going with the package.

Commissioner Baney said thank you to OTF because going into the legislature with all your partners together and having had those conversations is strategically wise. Baney does worry somewhat about the resiliency plan, and the lifeline routes and the lack of a statewide plan forward, and the cost associated and the benefit statewide of Amtrak. She wouldn't want to be misaligned in or support for that being a priority.

Commissioner Lohman thanked Craig Campbell and the OTF for providing an independent voice that is not a part of state government to talk to the governor and the legislature as the budget is being developed.

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Workshop Item 5
OTC Work Plan and Wrap-up

The Commission received the first draft of a proposed work plan, laying out areas requiring the Commission's attention over the course of the upcoming 18 months. The Commission reviewed the status of items embedded in the Oregon Transportation Commission (OTC) 2013/2014 Work Plan and also discussed items proposed for inclusion in a 2015 Work Plan. Transportation Development Division Administrator Jerri Bohard and Director Matthew Garrett presented the draft. ***(Background materials in Director/Commission/History Center File, Salem.)***

Background:

The OTC Work Plan is a means by which high priority work items that require OTC involvement are documented. The plan is therefore updated and edited as appropriate when new efforts arise, such as work resulting from federal actions or state legislative direction.

Oregon Department of Transportation staff provided information on the status of the work items identified in the OTC 2013/2014 Work Plan. A copy of the existing work plan and the Draft 2015 OTC Work Plan, containing staff recommendations, was provided. Based on this discussion with the Commission, it is presumed that the 2013/2014 OTC Work Plan will be 'closed.'

Presentation:

Jerri Bohard started the discussion by saying the work plan has four main categories; policy development, strategic projects and programs, fiduciary responsibilities, and partner and stakeholder relationships. As we consider the work plan, the key question should be, is there something that should be added, and are there any that should be deleted. And lastly, is there any information the Commission would want to make sure was included in the work plan relative to each of the items in the plan. The work plan is not approved or adopted by the Commission; rather, it is a living document the Commission can work with.

Discussion:

Commissioner Lohman asked if program oversight issues belonged in the plan, and on the policy development side, we develop these plans, like the bike/ped, freight, and rail plans, but we don't really talk about how we're doing on implementation. It's worth laying out what progress has been made on these long-range plans. In addition, when he first started on the commission, the OTC was in the midst of a "process improvement" exercise where each of the elements of project delivery were examined to determine what could be done to make each one work better and more efficiently. Lohman believes it might be beneficial for the other Commissioners to see and hear that initial presentation. Least cost planning fits in that arena. He also believes time spent with Metropolitan Planning Organizations (MPOs) should be added to the plan. We already spend a lot of time with the Area Commissions on Transportation (ACTs) and we should spend more with the MPOs.

Commissioner Baney said there were two things she struggles with. One is that there are so many work plans, and how do we know we are cross-pollinating those in a way folks understand who's doing what, and how the choices and investments benefit another part of the system, or not. The second thing is she would like to have more understanding of our investments in lifeline and resiliency, and that it become the commonplace thought in some of our strategic investments, versus being a "oh right, we need to make sure and include this."

Commissioner Morgan said one of the things that interested her in being on the Commission was the intermodal discussion, looking at it as an integrated, statewide system across all of the areas that transportation touches. With that in mind, Morgan is interested in focusing on how to grow the understanding of the modes across all the modes, and how to do the kinds of things like thinking outside the box in terms of additional funding and additional resources.

Commissioner Simpson said this is a great opportunity to look at additional stakeholders and all the users that benefit from the transportation infrastructure system.

Chair Mater requested that the document identified as the 2014 Status Update be corrected to include (OSTI and least cost planning) two programs a major amount of time and energy have gone into to establish a remarkable planning process she is anxious to see how tests out in the field. It would be a shame not to monitor and track it in the field to really see how it works, and then come back if we need to tweak it to know it is a very functional, usable tool, especially if we move into these inner-silos connects. These are the kinds of things that will be very helpful tools for the Commission. Mater said she would like the rewording done in this document to stipulate that OSTI, least cost planning, and innovative projects, instead of being removed from the OTC Work Plan, that in fact, will be carried forward to the 2015 Work Plan.

Jerri Bohard asked for clarification on Page 3 of the plan where it talks about succession planning and managing the risk of losing people and organizational knowledge. She asked if that was something the Commission wanted to continue with? Director Garrett said we would continue to focus on this because the Secretary of State's audit really focused on technical skillsets in terms of succession planning.

Commissioner Simpson asked how much of the DMV system modernizations would focus around providing services online and the impact those have on greenhouse gas emissions and keeping cars off the road and maintain the life of the infrastructure? Director Garrett said it is not the first thrust of the effort, which is to move people out of the lobby to online. That means you have to change the technology. The premise behind the service streamline initiative is to offer the services that benefit the citizens of Oregon. This is just the first phase going to the legislature.

Director Garrett closed the workshop with the following summary. These discussions kept coming back to the core concept that we need to leverage a collective wisdom to better align all the resources to meet the challenges, whether its IT, workforce, or infrastructure. The success of our efforts will be determined by the individuals we engage. Let's bring the ACTs in to re-enforce and inform policy, protocols, and direction. They need to be living and breathing it, and telling the story, tailored to their unique opportunities in the cities and counties. And telling the same story, that we can't continue on the same pathway and allow a multi-billion transportation asset to deteriorate in front of our eyes. We need to aggressively inform the legislature, business and industry, and the citizens. The Work Plan can be used as a discipline to help us better identify what plays itself out on the agenda and how that influences policies and investment strategies, and how that influences the partners we make to leverage their collective wisdom. He thanked the group for their engagement in these discussions.

Action Item:

Commissioner Mater requested that the document identified as the 2014 Status Update be corrected to include two programs (OSTI and least cost planning). Mater said she would like rewording done in the document to stipulate that the OSTI, least cost planning, and innovative projects, instead of being removed from the OTC Work Plan, that in fact, they will be carried forward to the 2015 Work Plan.



Chair Mater adjourned the workshop at 12:40 p.m.



Tour of Oregon State University’s Tsunami Research Facility

The Commission received an overview of seismic risks from Oregon State University, Dean of College of Engineering Scott Ashford. After the presentation, the Commission toured Oregon State University’s Tsunami Research Facility (***Background materials in Director/Commission/History Center File, Salem.***)

Background:

This research facility is operated by OSU’s Coastal and Ocean Engineering Program within the Department of Civil, Construction, and Environmental Engineering. The laboratory was designated as a tsunami research location by the National Science Foundation in 2001. The Tsunami Wave Basin is the largest tsunami simulator in the world.

- *Overview of Seismic Risks*
- *Recommendations from Resilience Plan*
- *OSU Seismic Research*

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Catherine Mater, Chair	David Lohman, Member
<i>Original signature on file</i>	<i>Original signature on file</i>
Tammy Baney, Member	Susan Morgan, Member
<i>Original signature on file</i>	<i>Original signature on file</i>
Alando Simpson, Member	Roxanne Van Hess, Commission Support