

OREGON TRANSPORTATION COMMISSION

Minutes of the Regular Monthly Meeting

March 18, 2009

Salem, Oregon

On Wednesday, March 18, 2009, at 8:00 a.m., the OTC and Oregon Department of Transportation staff held a briefing session and reviewed the agenda in Room 135 of the Transportation Building, 355 Capitol Street NE, Salem. The regular monthly meeting began at 9:30 a.m., in Conference Room 122.

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

Chair Gail Achterman	Governor's Sr. Trans. Advisor Chris Warner
Vice-Chair Michael Nelson	Region 1 Manager Jason Tell
Commissioner David Lohman	Region 2 Manager Jane Lee
Commissioner Alan Brown	Region 3 Manager Paul Mather
Director Matt Garrett	Region 4 Manager Bob Bryant
Chief of Staff Joan Plank	Region 5 Manager Monte Grove
Deputy Director for Highway Doug Tindall	DMV Administrator Tom McClellan
Deputy Director Central Services Lorna Youngs	Technical Services Admin. Cathy Nelson
Trans. Development Administrator Jerri Bohard	Rail Division Administrator Kelly Taylor
Communications Div. Admin. Patrick Cooney	Commission Assistant Amy Merckling
Public Transit Administrator Michael Ward	

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Chair Achterman called the meeting to order at 9:30 a.m.

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Director's report highlights:

The Columbia River Crossing project's Greenhouse Gas Emissions Analysis in the DEIS was chosen by the National Association of Environmental Professionals (NAEP) for this year's NEPA Excellence Award. The announcement was made on Thursday, February 5, 2009. Director Garrett applauded the long hours of hard work and innovation that went into achieving this national award by team members:

- Peter Chen, Parametrix - GHG technical analysis lead
- Marina Orlando, ODOT - GHG technical analysis
- Karin Landsberg, WSDOT - GHG technical analysis
- Margi Lifsey, CRC (ODOT/WSDOT) - Climate Change policy analysis lead
- Jeff Heilman, CRC (Parametrix) - Climate Change policy analysis
- Ryan LeProwse, CRC (DEA) - Traffic liaison
- Colin McConnaha, CRC (Parametrix) - Land use liaison
- Heather Gundersen, CRC (ODOT/WSDOT) - Environmental manager

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ODOT's Transportation Safety Division received the 2009 Business Partner of the Year award from the Oregon Community Education Association on February 5. The letter of nomination/recognition said: "In 1999, driver education moved from the Department of Education to ODOT-TSD. Under the leadership of TSD Administrator Troy Costales, the move was as painless as possible for all of those working in driver education. In 2002, John Harvey came in as the program manager for driver education. Both gentlemen through the TSD have made a profound impact on the lives of teens in Oregon. Both gentleman are truly a role model for teens and their peers, and are also the kind of people that we want to have in state agencies making decisions that affect teens and others on the road. Under their direction of the driver education program in Oregon, the death and injury crash numbers for 16 year olds have dropped. Troy and John are wonderful leaders. Driver education very likely would have faded away if it weren't for these two gentlemen working with all driver education programs in the state - community college, community schools, education service districts, public schools and private companies. We thank them for all they do."

Troy Costales, TSD Administrator and Mike Laverty, Chairman of the Oregon Transportation Safety Committee, were present to accept the award. (John Harvey was not present due to illness; however he received a round of applause from the attendees. Mike Laverty awarded John his plaque on February 10 at the OTSC meeting in Salem.)

Director Garrett gave a summary of the 2009 bond sale. In these tumultuous economic times, ODOT enjoyed strong market demand for its bonds. \$350 million, high-grade bonds sold in one day. Typically sales are carried out over a two-day period, and the one-day sale shows the strong demand for ODOT's bonds. ODOT bonds are highly rated by the top three international rating agencies (S&P, Moody's and Fitch, AAA/Aa2/AA). In ratings reports, ODOT's high ratings reflect strong legal provisions and debt service coverage ratios and a strong cash position, which helps meet unforeseen events. On average, ODOT is paying an interest rate of 4.55% on its outstanding bonded debt. This is significantly lower than the assumed rates of 5.50% used in the bonding plan. The discipline of balancing the fiscal needs, financial requirements and project management continues to provide ODOT with a very successful program in delivering jobs and transportation projects for Oregonians.

Director Garrett introduced Hamilton Construction President Scott Williams. The Highway 99/Winchester Bridge project was recognized at the national level by receiving the Associated General Contractors (AGC) Build America Award honoring contractors that build the nation's most impressive construction projects. The Region 3 Project Team consisted of Region 3 Manager Paul Mather, Project Leader Mark Leedom, Structural Design Engineer Mats Halvardson, and Project Manager Ted Paselk.

Scott Williams said that of the many awards Hamilton Construction has received over the years, this award is the one that brings the most pride. Out of the hundreds of thousand projects built in the country last year, only 13 were recognized as Build America award winners. The award can be won on several different criteria levels; environmental sensitivity, innovative construction techniques, community sensitivity, scheduling, and budget. Mr. Williams said this award was met on all criteria levels, and that was due to the partnership with ODOT and the project office, that started from day one. On behalf of Hamilton

Construction, Mr. Williams presented the award to ODOT. A picture was taken of Scott Williams presenting the award to Chair Achterman, Director Garrett, and the project team.

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Public comments: None

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The Commission received an update on the status of transportation safety in Oregon, recognized the 2008 Annual Report and considered a request for approval of the Governor's proposed proclamation designating May 2009 as Transportation Safety Awareness Month. *(Background material in General Files, Salem)*

Transportation Safety Division Administrator Troy Costales presented the Oregon Traffic Safety Performance Plan Annual Evaluation for fiscal year 2008. Since the plan's implementation, traffic fatalities have dropped from 478 in 2006 to 420 in 2008. To-date in 2009, there has been an 11 percent decrease in traffic fatalities.

The Commission expressed its thanks for Traffic Safety's efforts, and Commissioner Lohman moved to approve the proclamation designating May as Transportation Safety Awareness Month. The motion passed unanimously.

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The Commission received a presentation on Highway Division Project Delivery Improvement as a follow up to the Project Delivery presentations provided last year. *(Background materials and PowerPoint presentation in General Files)*

The Commission asked the Highway Division to identify improvements that will yield the greatest benefit to project delivery in the division. Deputy Director for Highways Doug Tindall led the discussion that provided specifics about areas to be improved, the benefits from the improvements, resources needed and the timelines for completion. He outlined five initiatives for the proposed improvements:

- Refined STIP Criteria (Not included in this presentation. Jerri Bohard provided an update at the February 2009 OTC meeting.)
- Commitment Tracking System
- Public Involvement
- Electronic Plan Distribution
- Contract Payment Systems

Technical Services Geo Environmental Section Manager Hal Gard discussed the Commitment Tracking initiative. Commitment tracking will allow ODOT and stakeholders a running tally to view commitments made, and their status, at any phase of project delivery. It will help identify and define expectations, roles and responsibilities of both ODOT and stakeholders.

Region 4 Area Manager Gary Farnsworth discussed the Public Involvement initiative. Informed consent makes sure everyone is heard in a consistent manner and will synthesize proven public involvement tools, techniques and best practices. It will help identify and define expectations, roles and responsibilities, and provide direction in the form of operational notices and the development of a Project Delivery Public Involvement Guidebook.

Procurement Oversight & Construction Manager Wynette Gentemann talked about the two phases of the Electronic Plan Distribution initiative. Phase 1 (Pre-bid distribution) plans and special provisions will be accessed by internal and external customers directly from website, and CD copies will be available to walk-in customers. Phase 2 (Post-award distribution) one hard copy set will be provided to the project manager, with a fully executed original going to the contractor. Additional sets will be available on the website.

State Construction & Materials Engineer Jeff Gower said the Contract Payment System initiative will automate calculation of escalation payment to contractors, track use of anticipated item funding, create automatic email notification to contractors on progress estimates, and make contract payment information available on line.

The overall goal is to improve decision making and ease public concern by showing that ODOT understands their needs, problems will be addressed, the right team is in place, and that ODOT does listen and does care.

The Commission noted two areas for consideration: how to address citizens' feeling they weren't listened to when a decision doesn't go in their favor; and, how to assign proper budget numbers at the front end so we don't get Lamborghini projects on a Volkswagen budget.

OBEC Engineering PE, President and American Council of Engineering Companies of Oregon (ACEC) President Elect and Past Co-chair ODOT/ACEC Steering Committee Gayle Harley; and PE, Senior Vice President for Murray, Smith & Associates, Inc., Vice-President ACEC Oregon, and Co-chair ODOT/ACEC Steering Committee Troy Bowers talked about ACEC's partnership with ODOT. ACEC enjoys a strong and mutually beneficial relationship with ODOT and appreciates the opportunities provided to help make the project delivery process more effective. ACEC concurs with ODOT's proposed measures for shortening project development /delivery times and supports the concept of allowing more concurrent work versus the very sequential programming done currently. Allowing concurrent permit and right-of-way applications will help assure permits don't expire before right-of-way access is granted.

Assistant Regional Administrator Michael Tehan from National Marine Fisheries Service, Habitat Conservation Division (NOAA) talked about proactive habitat conservation enforcement efforts and how they relate to transportation.



The Commission considered approval of a Statewide Transportation Improvement Program (STIP) amendment to approve a list of projects to be funded by the Federal Economic Stimulus Package, the American Recovery and Reinvestment Act (ARRA).
(Commissioner Wilson participated in this agenda item by telephone) (Background material in General Files, Salem)

Deputy Director for Highways Doug Tindall recapped the process to develop the project list. At the February 18 OTC meeting, the Commission considered a list of approximately \$190.8 million of state highway and related bicycle/pedestrian projects for funding as a portion of ODOT's \$223.7 million sub-allocation. The OTC approved stimulus funding for two projects that were ready for bid opening within a week, and scheduled a special meeting for February 27 to consider additional projects for stimulus funding. At the February 27 meeting, the OTC approved additional projects to ensure that Oregon would meet the federal requirement to contract 50% of the ODOT and TE sub-allocations within 120 days. This action brought the list of approved projects funded with ODOT's sub-allocation to 31 projects with costs estimated at \$122.6 million. The OTC also approved 10 Transportation Enhancement (TE) projects for a total of just over \$10 million based on a recommendation from the TE Advisory Committee.

The OTC also opened an application process for the remainder of the ODOT sub-allocation. The OTC imposed very tight timeframes, both for application submittal and for project bid opening in order to maximize the jobs created during the 2009 construction season. The OTC established the expectation that applicants for funding from the ODOT sub-allocation would have all of their allotment obligated for work this year, and have additional work that could be contracted by June 17. A subsequent March 11 meeting was scheduled for the OTC to take public testimony on proposed projects.

Over 330 project proposals totaling over \$500 million in work were received for the remaining \$101 million of the ODOT sub-allocation. A nearly four-hour public meeting drew comments from nearly half of the applicants. The OTC directed staff to consider all projects, determine eligibility and propose a list of projects based on the following:

- Certainty of project schedule. The OTC reiterated that it is critical that any projects funded with ODOT dollars put people to work this summer, in addition to projects funded through other allotments of stimulus dollars
- Leverage of other funding
- Consistency with ODOT's Context Sensitive and Sustainable Solutions (CS³) philosophies which enhance livability and revitalize downtown areas
- Benefit to the overall state transportation system
- Provide both short-term and long-term economic potential – providing immediate jobs and opening up or expanding industrial opportunities
- Facilitate mode choice in transportation – particularly considering that funding for projects not usually funded with federal highway or transit dollars are eligible under ARRA
- Geographical balance of projects so that all of Oregon derives stimulus benefits, in line with federal requirements to give preference to economically distressed areas

Based on the OTC guidance, ODOT staff determined projects that were most likely eligible for funding and had good confidence of having bids opened by June 17 to ensure work would occur this summer. Staff then analyzed the applications and studied the testimony, applying the principles above to achieve a balance of projects. Time constraints did not permit a completely objective scoring analysis; rather judgment and knowledge of the transportation system from many disciplines was used to determine projects that best met all of the criteria.

The resulting list of projects offers substantial investment in all modes of transportation. The list of requests was so substantial, with high quality projects that could provide work this summer, that ODOT staff now recommends the entire remainder of ODOT's sub-allocation be used to employ the maximum number of Oregonians this summer. The list no longer includes just state highway projects, but rather projects from across modes. Where ODOT had previously submitted a total of an additional \$68.2 million in highway work for consideration, this list now includes just \$61.2 million in highway work on ODOT projects as well as local highway related projects. Following is a breakdown of the modal splits of the projects on the proposed list:

Highway	\$ 61.2 million
Rail	\$ 14.9 million
Ports	\$ 10.4 million
Bicycle/Pedestrian	\$ 7.6 million
Transit	\$ 7.0 million

Regional balance, with consideration to economically distressed areas and recognizing differing levels of project readiness, is achieved as shown by ODOT Region:

Region 1	\$30.8 million
Region 2	\$30.1 million
Region 3	\$16.4 million
Region 4	\$14.3 million
Region 5	\$ 9.5 million

The fundamental principle used to develop the proposed list has been job creation. The latest Oregon unemployment numbers now exceeding 10 percent, action on the proposed list will create jobs this summer, and benefit the transportation system in ways that will be visible for decades to come.

The Commission thanked ODOT staff and all the partners who have worked so hard to develop a list that will invest funds to create jobs now and also invests in our future by making the existing system work better. Potential conflicts of interest were noted: Vice-Chair Nelson – Owner of a real estate business; Commissioner Brown – Owner, Les Schwab company could potentially do business with contractors; Commissioner Lohman – Represents Rogue Valley Transit District at law firm.

Commissioner Lohman moved to approve the amendment to the list of projects to be funded by the Federal Economic Stimulus Package. The motion passed unanimously.

Travis Brouwer outlined the federal and state ARRA reporting requirements.



The Commission received an update on the vehicle miles traveled (VMT) based charging system. (*Background materials in General Files, Salem*)

Office of Innovative Partnership Manager Jim Whitty said mileage-based charging can help address issues of sustainable funding for roads, congestion management, greenhouse gas reduction, and energy independence.

The fundamentals of mileage charging are: calculate miles driven; assess mileage data; apply mileage charging rates; billing; and payment collection.

ODOT continues to work on assessing various VMT charge methods, education for public acceptance (approach to public is critical), and other implementation requirements.



The Commission considered approval of items on the consent calendar.

1. Approve the minutes of the February 18, 2009, meeting in Salem.
2. Confirm the next two commission meeting dates.
 - Wednesday, April 15, 2009, in Salem
 - Wednesday, May 20, 2009, in Salem
3. Adopt a resolution for authority to acquire real property by purchase, condemnation, agreement or donation.
4. Approve the following Oregon Administrative Rules (OAR) action:
 - a. Adoption of 734-060-0000 relating to the permit process for an outdoor advertising sign
 - b. Adoption of 734-062-0100 to 0125 relating to official signs for viticultural areas
 - c. Amendment of 734-072-0010 to 0030 relating to self-issue variance permits
 - d. Amendment of 734-075-0010 and 734-082-0015 to 0040 relating to bonus weights
 - e. Adoption of 735-062-0096 relating to return of invalidated driver license for ID purposes
 - f. Amendment of 735-150-0005 relating to ODAC membership
 - g. Amendment of 735-158-0000 and adoption of 735-158-0005 and 0010 relating to Vehicle Appraiser Education
 - h. Adoption of 740-100-0065 and 0085 and amendment of 740-100-0010 to 0100; and 740-110-0010 and 0080 relating to adoption of federal motor carrier regulations.
5. Approve an amendment to the 2008-2011 Statewide Transportation Improvement Program to cancel the Oregon 22 at Cordon Road Variable Message Sign (VMS) and Highway Advisory Radio project. The total estimated project savings for cancelling this

- project is \$200,000. This amount will be used to increase funding for the Oregon 22 at Greenwood Road VMS project on the Willamina-Salem Highway in Polk County.
6. Approve an amendment to the 2008-2011 STIP to add the U.S. 101: Pedestrian Crossing Improvements project in Florence. The total estimated cost of the project is \$650,000.
 7. Approve an amendment to the 2008-2011 STIP to add the Region 2 Traffic Loop Replacements project. The total estimated cost of the project is \$100,000.
 8. Approve an amendment to the 2008-2011 Statewide Transportation Improvement Program to increase the Transportation Enhancement Discretionary funds to construct the grade and foundation for the Historic Columbia River Highway State Trail in conjunction with Moffett Creek Bridge project in Multnomah County. The total estimated cost of this project is \$718,019.

Commissioner Brown moved to approve the consent calendar. The motion was unanimously approved.


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Public comments continued. None

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Chair Achterman adjourned the meeting at 2:30 PM.

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 Gail Achterman, Chair



 Michael Nelson, Vice Chair

Unavailable for signature


 Janice Wilson, Member



 Alan Brown, Member



 David Lohman, Member



 Roxanne Van Hess, Commission Support