

Portland State University

PDXScholar

Joint Policy Advisory Committee on
Transportation

Oregon Sustainable Community Digital Library

6-12-1997

Meeting Notes 1997-06-12

Joint Policy Advisory Committee on Transportation

Follow this and additional works at: https://pdxscholar.library.pdx.edu/oscdl_jpact

Let us know how access to this document benefits you.

Recommended Citation

Joint Policy Advisory Committee on Transportation, "Meeting Notes 1997-06-12 " (1997). *Joint Policy Advisory Committee on Transportation*. 230.

https://pdxscholar.library.pdx.edu/oscdl_jpact/230

This Minutes is brought to you for free and open access. It has been accepted for inclusion in Joint Policy Advisory Committee on Transportation by an authorized administrator of PDXScholar. Please contact us if we can make this document more accessible: pdxscholar@pdx.edu.

**METRO**

Meeting: **JOINT POLICY ADVISORY COMMITTEE ON TRANSPORTATION**

Date: JUNE 12, 1997

Day: THURSDAY

Time: 7:30 a.m.

Place: METRO, CONFERENCE ROOM 370A-B

- *1. MEETING REPORT OF MAY 8, 1997 - APPROVAL REQUESTED.
- *2. 1997 OZONE SEASON PREVIEW - INFORMATIONAL - Nina DeConcini, DEQ.
- *3. WASHINGTON COUNTY BRIEFING ON COMMUTER RAIL - INFORMA-TIONAL - Kathy Lehtola, Washington County.
- *4. TIP SUBCOMMITTEE RECOMMENDATIONS ON 1997 OBLIGATIONS - INFORMATIONAL - Andy Cotugno.
- *5. TOLLWAY ADMINISTRATIVE RULES DISCUSSION DRAFT - INFORMA-TIONAL - Andy Cotugno.

*Material enclosed.

MEETING REPORT

DATE OF MEETING: May 8, 1997

GROUP/SUBJECT: Joint Policy Advisory Committee on Transportation (JPACT)

PERSONS ATTENDING: Members: Chair Jon Kvistad, Susan McLain and Ed Washington, Metro Council; Charlie Hales, City of Portland; Linda Peters (alt.), Washington County; Gerry Smith, WSDOT; David Lohman (alt.), Port of Portland; Dean Lookingbill (alt.), Southwest Washington RTC; Craig Lomnicki, Cities of Clackamas County; Mel Gordon, Clark County; Jim Kight, Cities of Multnomah County; David Yaden (alt.), Tri-Met; Don Wagner (alt.), ODOT; Rob Drake, Cities of Washington County; and Ed Lindquist, Clackamas County

Guests: Lou Ogden (JPACT alt.), Mayor of Tualatin; Pat Collmeyer, Office of Neil Goldschmidt; Elsa Coleman and Steve Dotterer, City of Portland; Rod Sandoz and John Rist, Clackamas County; Susie Lahsene, Port of Portland; Dave Williams, Leo Huff, Jef Kaiser, and Michael Ray, ODOT; Gary Katsion, Kittelson & Associates; Randy Hammond, CH2M Hill; Xavier Falconi and Mary Tobias, TVEDC; Meeky Blizzard, Sensible Transportation Options for People; Bob Brannan, Parsons Brinckerhoff; Bill Burgel, HDR Engineering; G.B. Arrington, Tri-Met; Kathy Lehtola, Washington County; Karl Rohde, City of Lake Oswego Councilor; Howard Harris, DEQ; and Mike McKillip, City of Tualatin

Staff: Andy Cotugno, Richard Brandman, Leon Skiles, Mike Hoglund, Rich Ledbetter, Chris Deffebach, John Cullerton, Gina Whitehill-Baziuk and Lois Kaplan, Secretary

SUMMARY:

The meeting was called to order and a quorum declared by Chair Jon Kvistad.

ANNOUNCEMENTS

Dave Lohman announced that an international bulk trade, transportation and handling exhibition and conference, *Bulk '97 Transpo*, is scheduled for June 1-3 at the Portland Hilton Hotel. Attendees will view the Port's new Terminal 5 used for bulk exports and related Rivergate rail capacity improvements authorized through use of CMAQ funds.

Chair Kvistad commented that the Cascadia Metropolitan Forum would be holding its conference May 8-10 in Vancouver, B.C. and felt it should be an interesting conference.

MEETING REPORT

Mayor Drake moved, seconded by Councilor Washington, to approve the April 10, 1997 JPACT Meeting Report as submitted. The motion PASSED unanimously.

RESOLUTION NO. 97-2505 - ADOPTING COST-CUTTING AMENDMENTS TO THE SOUTH/NORTH LIGHT RAIL ALTERNATIVES AND DESIGN OPTIONS TO BE STUDIED FURTHER IN THE PROJECT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Richard Brandman explained that the purpose of adopting the South/North cost-cutting measures is to make a determination of what alternatives and design options should be studied further in the Environmental Impact Statement. With the loss of Ballot Measure 32, an intensive, major public involvement effort ensued.

Richard commented on the 200 meetings held with neighborhood associations and business groups; the mailout of 100,000 brochures to households, resulting in over 3,000 responses; the newsletter sent to over 17,000 households about process and meeting dates; the three formal open houses; and the public hearings targeted at getting the community engaged in feedback.

Major results of the process are that there has been positive response from the public with respect to cost-cutting. The result is a \$500 million reduction of costs by deferring portions of the project and contractual savings that can be realized by Tri-Met.

One of the areas of citizen concern was that the project might not go to North Portland. Richard reported that the line will

extend into North Portland, resulting in more ridership. At issue is the desire for the line to go to Kenton Street rather than Lombard Street, which would require an additional \$30-50 million if the terminus were placed at Kenton. Richard noted that a special study will be undertaken of a Kenton terminus.

Richard also commented on the changes in the Portland State University area that resulted in a savings of \$6-7 million and the deferral of the north mall which would save \$120 million. He noted that there is considerable concern about deferring the north mall.

Many neighborhood groups in Southeast Portland were pleased that there would be cost savings on the Caruthers alignment. By changing the river crossing and the grade in Southeast Portland, a savings of \$40 million could be realized, making the alignment more cost-competitive. Richard also spoke of some design options in North Portland in association with the I-5 alignment.

The South/North cost-cutting recommendation has received endorsement from the South/North Steering and Citizens Advisory Committees, the Downtown Oversight Committee, and the Portland and Milwaukie City Councils. The South/North Expert Review Panel met to ensure that the data was accurate and to endorse the degree of detail and process. They concluded that the methods, assumptions and results were appropriate and sufficient for forwarding into the DEIS process.

Action Taken: Councilor Washington moved, seconded by Commissioner Lindquist, to recommend approval of Resolution No. 97-2505, adopting cost-cutting amendments to the South/North light rail alternatives and design options to be studied further in the project Draft Environmental Impact Statement.

Councilor Washington took the opportunity to applaud the South/North committees and staff for their help and support in forwarding this light rail project. He noted that staff responded to the fact that people were concerned about costs and wanted them to be acknowledged. Richard cited some of the principals associated with the project, namely Leon Skiles, South/North LRT Project Manager, and Gina Whitehill-Baziuk for her public involvement efforts, noting that time would not permit acknowledging all of the participants. He commented further that it represented a unified effort of all the jurisdictions. Councilor Washington also thanked Andy Cotugno for his efforts.

Commissioner Lindquist indicated that the project has been worked on for a long time and complimented staff on regrouping with efforts that resulted, in spite of setbacks, with an even better

project. Commissioner Lindquist reported that Portland is recognized at the national level as a leader in land use and transportation planning.

Commissioner Hales recounted that the South/North light rail project is worthy of JPACT's unanimous support. He noted that, through the Steering Committee, the City of Portland's concerns relating to downtown Portland and the Kenton Street terminus have been addressed. The Kenton Street terminus will require a special study. The City also asks that the full mall improvement be identified as the region's priority after Phase 1 of the South/North project, citing the importance of transit being supportive to the River District/Union Station area. A letter from the City of Portland, which included a companion resolution, was distributed expressing support of the Steering Committee's recommendation.

Commissioner Hales also commented on his recent visit to Denver for an infrastructure conference, where massive spending on transportation projects bring into question the benefits gained and the lessons learned.

Also noted was the recent Regional Transportation Summit attended by 450 people. Commissioner Hales commented that we have hundreds of citizens that are interested in having transportation innovations introduced into their neighborhoods.

Commissioner Peters expressed Washington County's support of the South/North cost-cutting recommendation. She commented on a recent Commuter Rail Conference at which Senator Hutchinson of Texas spoke on behalf of efforts to enhance Amtrak. She shared her vision that the national inter-rail system would be seen as a nationwide arterial to which smaller rails and railroads are connected. She concurred in the need for further study relating to the north mall segment and the need for a connection to Union Station.

Mayor Lomnicki distributed a letter on behalf of the City of Milwaukie, noting that the Milwaukie City Council unanimously supports the cost-cutting DEIS changes along with an ongoing effort to study the project's negative impacts and corresponding mitigation measures through the FEIS. He emphasized that a No Build alternative is still considered an option. Councilor Washington wanted Mayor Lomnicki to be aware of the "Lomnicki Loop" acknowledged in the Milwaukie area.

Dave Yaden felt that this is neither the beginning nor the end of a process but rather a commitment toward a balanced transportation system. This cost-cutting recommendation will be viewed as

one adjustment along the way. He applauded the region's focus on that journey.

Councilor McLain acknowledged that this is just one segment of a much larger project. She felt the region would be doing a disservice if it didn't identify Oregon City and Vancouver as part of the project. She noted that the recommendation doesn't include all the options we want nor have those extensions been forgotten.

In calling for the question, the motion PASSED unanimously.

RESOLUTION NO. 97-2507 - ADOPTING THE SOUTH/NORTH STEERING COMMITTEE COMMUTER RAIL OVERVIEW AND RECOMMENDATION REPORT

This resolution calls for commuter rail to be studied as part of the Regional Transportation Plan and that JPACT conduct a series of workshops to study the commuter rail issue as part of future transportation options.

The *Commuter Rail Overview and Recommendation Report* produced by the Steering Committee addresses lines currently in operation on the West Coast, how they operate, and how much they cost. The Project Management Group compared functional differences between commuter rail and light rail and recommended that it not be studied further in the South/North DEIS.

Richard Brandman explained that commuter rail trains typically run for longer distances (20-60 miles) while light rail is normally a 10-15 mile run. Commuter rail runs on existing freight tracks and permission is required from the railroads for operation on those tracks. In addition, commuter rail does not typically serve specific neighborhoods nor business districts and raises different land use issues than light rail. Richard felt there are some positive attributes and that there needs to be more discussion on the issue.

A series of workshops will be scheduled in the fall to discuss commuter rail. Richard announced that Chris Deffebach of Metro staff, introduced at the meeting, will be leading the effort.

Chris Deffebach commented that the study evolved from a South/North Steering Committee recommendation to evaluate commuter rail potential and provide the public with an opportunity for input. She spoke of interest in Yamhill, Clark and Washington Counties to coordinate a regional study of commuter rail to determine its role as part of the transportation system.

Information is needed on land use impacts, freight impacts, ridership and cost compared to other alternatives, and the type of transportation problems it would serve. Chris hoped that the study would increase the level of public understanding on what commuter rail is and why it is being considered and implemented in different urban areas.

Chris spoke of the need to include representatives from a broad range of geographic, business and community interests. It is the objective of the study to take the information and form commuter rail recommendations for the *Regional Transportation Plan*. The work scope would include assessing the potential for our region.

Commissioner Peters was excited about plugging commuter rail into the regional transportation planning process. She cited the need to decide, following the feasibility study, what the scope is and what authority is needed to make it happen. A discussion followed on the Wilsonville to Salem and Newberg to Salem connections. Commissioner Peters forewarned the committee that Washington County would not like the regional process to slow the county down in its commuter rail effort.

Commissioner Gordon reported that the Southwest Washington Regional Transportation Council has supported a plan in Clark County to study commuter rail and that Burlington Northern has expressed interest in looking at the proposal.

Councilor Washington wanted to applaud Jim Howell for all his efforts on behalf of commuter rail.

Action Taken: Councilor Washington moved, seconded by Commissioner Lindquist, to recommend approval of Resolution No. 97-2507, adopting the South/North Steering Committee *Commuter Rail Overview and Recommendation Report*. The motion PASSED unanimously.

Councilor Kvistad appointed a commuter rail task force comprised of Councilor Washington; Commissioners Lindquist, Peters and Hales; and Mayor Ogden. (Following the meeting, Councilor Karl Rohde of Lake Oswego offered to serve on the task force as well.)

LAKE OSWEGO TROLLEY

Chair Kvistad announced the kick-off of the Lake Oswego trolley service and felt that the community should be congratulated on making it happen.

RESOLUTION NO. 97-2497 - ENDORSING THE RECOMMENDED ARTERIAL AND HIGHWAY IMPROVEMENTS CONTAINED WITHIN ODOT'S WESTERN BYPASS STUDY AND AMENDING THE 1995 INTERIM FEDERAL REGIONAL TRANSPORTATION PLAN

ORDINANCE NO. 97-689A - AMENDING THE 1992 REGIONAL TRANSPORTATION PLAN TO INCLUDE THE NEED, MODE, FUNCTION AND GENERAL CORRIDOR FOR THE I-5/99W CONNECTOR

Andy Cotugno reported that a number of jurisdictions were signatory to looking at the Western Bypass and alternatives to the bypass. The study was initiated by ODOT and conducted through an Intergovernmental Agreement that led to a study of mobility and related needs in the entire urban portion of Washington County and the westernmost portions of both Portland and Clackamas County.

The study resulted in the conclusions reflected in the *Western Bypass Study Recommended Alternative Report*. Andy commented on the process that included review from a Citizens Advisory Committee, a Technical Advisory Committee, and a Steering Committee. The recommended alternative represents a package of roadway projects, a TDM program, transit service and facilities, and bicycle and pedestrian facilities. In addition, the LUTRAQ alternative was evaluated, but not recommended.

This resolution would implement two actions. It would amend the 1995 *Interim Federal Regional Transportation Plan* to incorporate the recommended arterial and highway projects as identified in the report and identifies TDM, TSM and other alternative mode strategies for the current RTP Preferred Project list for further evaluation. The overall content of the Bypass Study is included in Resolution No. 97-2497.

Mike Hoglund noted that the resolution endorses arterial and highway improvements for incorporation into the Preferred component of the federal RTP. It does not, however, assure funding priority for those projects; rather it addresses current RTP standards.

For the study, there were two basic components, a No Build and a TSM component. The LUTRAQ study was also evaluated but is not recommended since the Region 2040 Growth Concept provides the adopted land use strategy for the area. The *Western Bypass Study*, evaluated in terms of the RTP and Region 2040, found that the north/south circumferential travel could best be served by arterials. The Citizens Advisory Committee also developed a

JPACT

May 8, 1997

Page 8

minority report with a recommendation that the full bypass be considered as a long-term conclusion.

Andy noted that one project, the I-5/99W Connector, should be amended into the 1992 RTP because it represents the final land use decision relating to the need, mode, corridor and function the facility is intended to serve. Ordinance No. 97-689A amends the 1992 RTP to include the need, mode function and general corridor for the I-5/99W Connector and, associated with that, recognizes that the accessibility through the Willamette Valley will create land use impacts.

Mike Hoglund briefed the committee on attachments to Ordinance No. 97-689A, noting that current levels-of-service were addressed. He emphasized the importance of separation of traffic functions being critical to the 2040 Growth Concept. Mike noted that the I-5/99W Connector reduces the pressure on arterials in the area. He added that the Tualatin industrial area would also benefit.

A handout was distributed replacing the second page of the ordinance, reflecting action taken by TPAC at its April 25 meeting. Resolve 2 of Ordinance No. 97-689A should now read: "2. That Metro should work cooperatively with the Green Corridor and Neighbor City jurisdictions to ensure execution of these agreements prior to construction of the I-5/99W Connector."

A condition to approval is a Green Corridor Agreement developed for compliance with the Regional Urban Growth Goals and Objectives (RUGGOS). The agreement would be implemented between Metro, the City of Newberg, Yamhill and Washington Counties, and ODOT for the purpose of establishing a cooperative working relationship for management of growth.

Mayor Drake indicated he would be supportive of both the resolution and ordinance but noted that there have been intensive discussions about the Western Bypass. He felt that when gridlock occurs at some future point, we will realize that with all the improvements, the Regional Centers, and dollars spent to enhance and keep Highway 217 open, there may be regrets that the full bypass option hadn't been kept open. He commented that he supported the Western Bypass, was not opposed to the connector, but felt that at some point the bypass should be constructed. He expressed concern that there will be freight and travel demand that can't be accommodated. They don't want the roads to be wider but there is need to provide alternatives that work. Mayor Drake just wanted the target to stop moving.

Councilor McLain commented on the Western Transportation Alliance spearheaded by Intel's Commute Manager that addressed rideshare and a game called Stuck. The Stuck cardgame was so successful that it generated 25-30 additional requests. The premise was that, while you can't change the behavior of adults, you can teach children early to practice good commuting habits. Councilor McLain cited the need to put our energy together to put demand management and commuter rail in a package that would work.

Commissioner Hales was supportive of the connector but expressed concern over some of the lane-expansion projects listed in Exhibit A of Resolution No. 97-2497, citing Project No. 146 (Farmington Road, Murray Boulevard to 172nd Avenue); Project 148 (Scholls Ferry Road, 121st to Highway 217); Project 149 (Highway 99W: Pfaffle to Commercial); and Project 109 (Baseline Road, 158th to 185th). He reminded the committee that Title 8 of the Functional Plan asks that projects be prioritized based on their ability to improve mode split. He questioned how those massive east-west facilities will improve north/south movement in Washington County. Andy Cotugno pointed out that significant transit and TDM expansion is factored in to the traffic data for those road projects. Commissioner Hales noted that there are arterials in East Portland where street widths have had to be reduced to make them into urban streets. He wanted to know why the error should be repeated in Washington County.

Chair Kvistad cited differences in the City of Portland's infrastructure to that existing in Washington County. Commissioner Peters expressed concern over the reality of not having the kind of transit service and connecting streets there should be. She asked whether there would be further scrutiny of these projects within the Framework Plan's requirements and whether there would be an opportunity to scale them down at a later time. In response, Andy noted that there are a lot of projects in the current RTP that are being evaluated under new design and level-of-service standards. This resolution calls for these projects to also be evaluated in those terms and this would merely serve as a placeholder.

Chair Kvistad commented that most of the projects noted are in the LUTRAQ study and represent the trade-offs the community has made for not having the infrastructure. Many of the LUTRAQ concepts have been incorporated in the 2040 Growth Concept.

Commissioner Lindquist expressed concern about accommodating truck traffic for delivery of its goods across the I-5/Highway 217 interchange. This related to a large trucking center in Clackamas County. Mike Hوجلund noted that the alignment will study the interchanges at either end.

JPACT

May 8, 1997

Page 10

Mayor Ogden commented that, in 1979, tremendous growth potential and the need to divert industrial traffic away from the neighborhoods was recognized in the area around Tualatin. He noted that all of the mode split factors have been factored in, and there is still tremendous population and travel growth. He emphasized the importance of some type of infrastructure to move cars through the area.

A discussion followed on the differences in infrastructure between the Eastside and the Westside. On the Eastside, there is still an east-west freeway as opposed to a state highway in Washington County. There are few movement corridors in Washington County and one part of the mode split is still cars and trucks.

Commissioner Hales cited the need to change policy direction from past experience and build projects that improve mode split that are in keeping with the land use plan. He questioned how we justify approving some of the projects.

Dave Yaden asked Mike Hoglund to comment on whether multi-modal operations are factored in on these projects. Mike reported that the study included a number of TDM projects and transit, and that parking costs were applied to most of the commercial areas. In order for transit improvements to work, lane improvements are needed as well. In addition, the buses will operate better as a result of lane expansion.

Councilor McLain had some concern about some of the 5-7 lane facilities. Even though she was concerned about potential lane expansion, she recognized the need to deal with the existing infrastructure. She also acknowledged that the projects in question will undergo further study and there may be opportunity to downsize some streets. She pointed out that we are not starting out with a clean slate.

Don Wagner commented that he is responsible for the corridor project and that, in October of this year, will ask the Oregon Transportation Commission to further this study. He noted that one of the risks is the Goal 14 exception.

A discussion followed on whether the projects' construction in Washington County would be contingent on signing of the Neighbor Agreements. Mayor Ogden emphasized the goal of trying to achieve the 2040 Growth Concept but there was some skepticism expressed about the community agreements and the challenges and potential lawsuits they present. In that regard, a letter was distributed from Washington County, expressing support of the Green Corridor

and Neighbor Cities concept contained in RUGGOs but noting concern about making approval contingent upon those multi-jurisdictional agreements, as proposed in the ordinance. A discussion followed relating to the fact that, by making a land use decision, the agreement becomes part of that process. Andy Cotugno felt there is recognition outside of Metro's jurisdictional area on the need for such agreements in order for there to be a coordinated effort. Terms of what is called for are done in a cooperative, not dictatorial, spirit. Condition to approval requires that there be execution of some kind of agreement.

Andy Cotugno felt that the issue is a significant one. It determines how the land use impacts of the transportation project will be mitigated and provides the vehicle for a cooperative effort. It is required that these agreements be executed prior to construction; a long lead time is provided. If the process doesn't work and creates a stumbling block, it can be removed. Mayor Ogden asked what would happen if the City of Newberg didn't meet the jobs/housing balance, questioning whether the Metro Council could avert construction once the ordinance was approved. Andy noted that the Neighbor City Agreement condition to approval is linked only to the 99W/I-5 Connector project and is not tied to the rest of the projects in the corridor.

Councilor McLain felt that the Neighbor City Agreement is one of the best tactics for gaining coordination with other jurisdictions and did not feel it would be either legally, physically or technically damaging. She cited the need for there to be recognition of the fact that the region's systems extend beyond its jurisdiction.

Action Taken: Commissioner Peters moved, seconded by Mayor Drake, to recommend approval of Resolution No. 97-2497, endorsing the recommended arterial and highway improvements contained within ODOT's *Western Bypass Study* and amending the 1995 *Interim Federal Regional Transportation Plan*.

In discussion on the motion, Chair Kvistad noted his concern over eliminating the Western Bypass option. He felt it would be detrimental to the community. He was supportive of the I-5/99W Connector, expressing his concern that it is not politically viable from the transportation needs we have. He noted that many of the elements of the LUTRAQ study have been incorporated into the 2040 Growth Concept.

In calling for the question, the motion PASSED. Commissioner Hales voted against.

Action Taken: Commissioner Peters moved, seconded by Mayor Drake, to recommend approval of Ordinance No. 97-689A (inclusive of the new Resolve 2 recommended by TPAC), amending the 1996 *Regional Transportation Plan* to include the need, mode, function and general corridor for the I-5/99W Connector. The motion PASSED unanimously.

RESOLUTION NO. 97-2498 - ENDORSING THE INTERIM CORRIDOR STRATEGY FOR THE PORTLAND TO LINCOLN CITY CORRIDOR

Copies of the Interim Corridor Strategy for the Highway 99/18 corridor were distributed at the meeting. Rich Ledbetter explained that the resolution would endorse ODOT's strategy for the Portland to Lincoln City Corridor. The strategy encompasses a balanced transportation system, regional connectivity, and safety, environmental and energy components.

Rich noted that ODOT is looking at corridors across the state with an objective of linking transportation and land use issues in a more balanced multi-modal approach.

The process for the Portland to Lincoln City Corridor will include developing an interim corridor strategy, producing a corridor plan, planning for key sites, and implementing the projects and programs. It will require Green Corridor agreements.

Rich reported that this represents a long-range, 20-year plan for consideration of land use/transportation linkage in the corridor. ODOT's first approach requires TSM and TDM strategies.

A draft Green Corridor and Rural Reserve IGA was distributed at the meeting for information purposes only and was not to be considered part of the approval process.

Action Taken: Councilor Washington moved, seconded by Commissioner Lindquist, to recommend approval of Resolution No. 97-2498, endorsing the interim corridor strategy for the Portland to Lincoln City Corridor. The motion PASSED unanimously.

HOUSEBILL 3163-A

Mary Tobias of the Tualatin Valley Economic Development Corporation distributed a position paper on TVEDC's stand with regard to HB 3163-A. She reported that the bill is being supported as a minimum funding package and needs to be upgraded in order to reflect current needs.

TVEDC's recommendations include supporting HB 3163-A as a minimum transportation funding package to address deferred maintenance on

the state's highways and bridges; raising the vehicle registration fee to at least \$90.00 or \$100.00 per year to provide for additional maintenance, preservation and modernization in the STIP; retaining the weight-mile tax or developing another cost recovery methodology that maintains parity between the auto and the heavy truck; and establishing a State Transit Trust Fund that would provide for general transit service and senior and disabled transportation needs.

TVEDC also recommends the formation of an interim joint legislative committee to address issues related to funding an interconnected, multi-functional transportation system. TVEDC's Transportation Committee wants the STIP built out as much as possible to make it more meaningful. They are concerned about the Access Fee and want the flexible funding issue to stay as part of the package. They are asking the Legislature to do what they can without a new tax and instead create an additional Trust Fund. Their objective is see that some of the rural areas' needs are met. She noted that the issue of the surcharge would disappear.

Mary Tobias asked for JPACT's support of TVEDC's proposal.

Commissioner Hales felt that the Access Fee is not the problem. He felt that the problem lay in the fact that the bill is still in the House and needs to get to the Senate.

Mayor Drake reported that Mayor Ogden, Mary Tobias and he had met with a group concerned about the Access Fee. He agreed that the bill needs to get out of the House. It was noted that 36 votes are needed on the House side. Commissioner Lindquist indicated that the House is not willing to approve something that will be rewritten in the Senate, citing the need for a compromise. The House leadership can't move the bill until the Speaker says it can be moved.

ADJOURNMENT

There being no further business, the meeting was adjourned.

REPORT WRITTEN BY: Lois Kaplan
COPIES TO: Mike Burton
JPACT Members

Draft Outline for Public Information, Education and Action for Ozone Season 1997
Department of Environmental Quality

Objective: Develop plan to improve, expand and coordinate air quality messages and events throughout the summer with regional partners to educate residents about what they can do to keep the air clean. Specific messages and calls to action will focus on driving, lawn and garden equipment and consumer products (paints and aerosol sprays).

The Department of Environmental Quality (DEQ) will take the lead in facilitating the coordination of the efforts in the region. This will include, but not be limited to, working with the City of Portland, Multnomah, Washington and Clackamas counties and other local jurisdictions in the region, Tri-Met, C-TRAN, the American Lung Association of Oregon, ODOT, ODOE, Metro and other public agencies, environmental organizations and private sector participants (identified below).

Program Elements:

Lawn Mower buy-back program: PGE and DEQ will provide \$50 toward the purchase of any electric lawn mower to any resident turning in a gas powered mower in working condition. The program will run March through July 1997 and Metro will accept the gas powered mowers in the region. Additional "events" have been scheduled with Home Depot sponsoring demonstrations at local stores in May and over July 4th weekend.

Consumer product demos: Feature "clean air" products such as non-aerosol hair spray and deodorant in Fred Meyer stores in six states with air quality information, free samples, coupons or discounts on products (August 1997).

Car Dealer PSAs: Recruit easily recognizable auto dealers (Thomason, Tonkin and Lanphere) and produce two (2) 30 second PSAs featuring "smart car" ideas (keeping engines tuned, tires properly inflated, combining errands into one trip) to keep the air clean during the summer months, especially on "Clean Air Action" days.

Press conference emphasizing health issues: To kick-off ozone season, stage a press conference on a local soccer field with health officials and children's athletic groups emphasizing the impact of ozone on health (lung development of children).

Theater slides: With Mount Hood in the background, simple actions will be suggested (alternatives to driving, aerosol sprays and gas powered lawn equipment). The slide will be placed on 145 screens region wide during July 1997. The slide will be similar to signage posted at 70 Chevron stations, 30 Les Schwab tire stores and 35 Fred Meyer stores.

Billboards: Starting June 9th until September 15th, 1997 there will be 27 billboards with "clean air" messages in the Portland Metro area. There will be 4 different designs and it is estimated that 92 percent of the population will see at least one during the three month period.

Radio spots: Two of the radio commercials DEQ produced will air again this summer reminding residents about simple actions they can take on Clean Air Action Days.

Carpool incentives: The City of Portland will again offer free parking in Smart Park garages on Clean Air action days to employers who sign up for DEQ's fax advisory. Employers will request vouchers from DEQ when signing up for the program and then distribute them to employees who carpool.

Continued Employer Involvement: Increase the number of employers participating in the Clean Air Action Day notification process from 130 to 200+ and gradually broaden participation to include non-work trips and other pollution prevention activities. The Governor's office will continue to co-sponsor this program and provide recognition.

Local Jurisdiction Participation: Ask local jurisdictions to pledge to inventory emissions and adopt programs to reduce emissions on Clean Air Action Days such as alternative commute programs for employees, gas powered equipment curtailment, reduction in use of solvents and paints or switch to waterborne paints, alternative fueled vehicles/equipment, planning ahead to reduce trips for personal or business related travel.

Media Plan: Continued advisories to area television, radio and print media on Clean Air Action Days (high-ozone potential days) which encourage the public to drive less or at least link trips, curtail use of high VOC products such as aerosols and charcoal lighter fluid and take other pollution prevention actions. Potential radio spots, suggested story ideas such as trip diaries for a particular Portland area classroom or specific employer strategy such as a shuttle will also be considered.

Tri-Met Programs: Tri-Met would generate individualized programs (fresh air kits with several all day transit tickets) with jurisdictions and/or employers to promote transit ridership during ozone season and especially on Clean Air Action Days. Advertising on radio during Metro Traffic control, personalized assistance to employers from Tri-Met marketing representatives, and a feature article in the May employer newsletter, "The Network."

C-TRAN: Free service will again be provided on Clean Air Action Days. Additional outreach to employers in Clark County will also be initiated. C-TRAN will work with the Vancouver Columbian to print recognition ads thanking employers for their participation .

Oregon Department of Transportation (ODOT) Variable Message Signs: Post "Air Quality Advisory Day, Limit Driving" messages on eight (8) freeway signs throughout the Portland region on Clean Air Action Days.

Misc.: Interim telephone survey at the end of ozone season (October) to assess success of regional efforts before final follow-up survey is conducted in 1998.

Washington County Interurban Rail

Briefing Materials for JPACT

Background

Analysis to Date

Railroad Alignment and Station Locations Studied

Average Weekday Patronage Estimates and Boardings by Station

June 1997

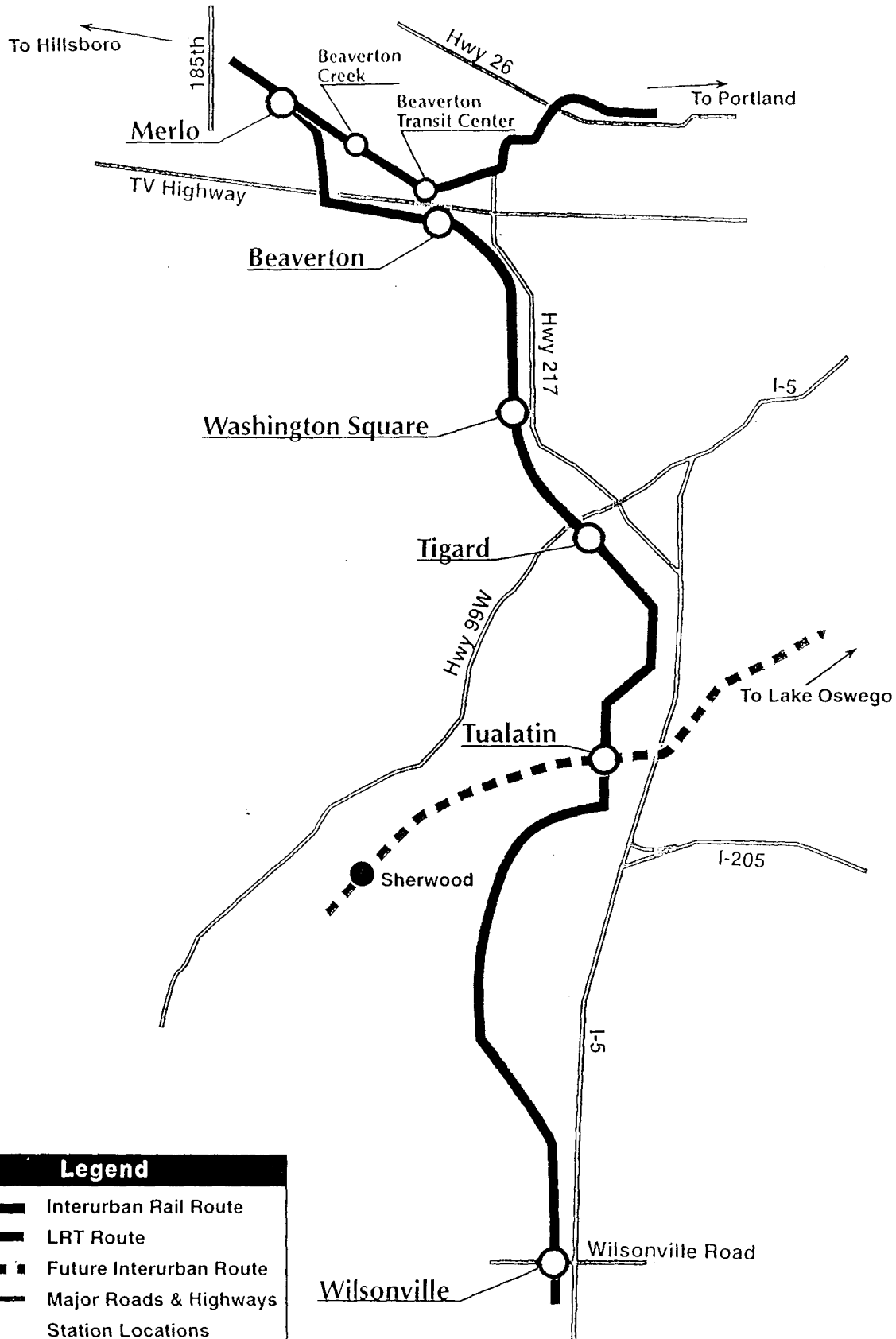
Background

- The Portland Metropolitan area is growing rapidly, and much of the growth is taking place in Washington and Clackamas Counties.
- The increase in population brings a concomitant growth in the number of automobiles and total vehicle miles traveled in the region.
- As a result of this growth, Portland has earned the distinction of being the 15th most congested city in the United States.
- Simply building new roads is not the solution. We must investigate and provide for our residents alternative modes of travel.
- To that end, Portland has an extensive city center bus service, and is systematically constructing a light rail system. But even these efforts may not be sufficient to curb the increase in traffic.
- One congested corridor in southeastern Washington County between Beaverton and Wilsonville lies along two major freeways, I 5 and OR 217. Both freeways currently experience significant congestion.
- A 18-mile long rail branch line closely parallels this corridor, for which a commuter rail operation is being investigated. It would run between Wilsonville (and potentially Salem) and Beaverton (connecting to the Westside Light rail at Merlo Station).

Analysis to Date

- What's been completed - a "fatal flaw" analysis that reviews ridership, legal constraints and track conditions
- Purpose - to determine if there is sufficient extrapolated ridership to justify a more detailed study
- Who's been involved - Washington County; Cities of Beaverton, Tigard, Tualatin, Wilsonville and Sherwood; Tri-Met; Metro; Oregon Department of Transportation
- Ridership analysis - Based on existing traffic modeling forecasts done by Metro during Region 2040 growth management studies, and extrapolated base ridership
 - Estimated ridership:
Year 2000 - 1850 trips/day; 484,700 trips/year
Year 2015 - 2300 trips/day; 602,600 trips/year
 - Annual ridership = daily ridership x 262 (365 -104 weekend days - 11 holidays)
 - Base ridership does not assume any "niche" marketing for additional riders. Most commuter rail systems do extensive niche marketing.
 - Ridership numbers extrapolated here are within the range of start up ridership for other commuter rail projects in the U.S.
- Legal constraints - Portions of the line are owned by two railroads (Burlington Northern/Santa Fe and Union Pacific). Shortline operator leases the track for freight operations. Therefore, three entities to negotiate trackage rights with.
 - The line in question is a branch, not a major freight line.
 - Short line operator is supportive of region's efforts.
 - The underlying owners are not opposed to commuter rail operations, especially on their branch lines.
 - Liability/insurance issues are costly, and a matter for negotiation, but not insurmountable hurdles.

- Track conditions - Track was visually inspected, and is in good condition. Would need at least one additional siding and some crossing and signal upgrades.
- This report was released to the press and public on May 12, 1997



Legend	
	Interurban Rail Route
	LRT Route
	Future Interurban Route
	Major Roads & Highways
	Station Locations
	LRT Station Locations

Figure 2: Detailed Alignment



Table 3
Year 2000 & 2015 Patronage Estimates (Average Weekday)

Operating Service	Service Times	Estimated Daily Patronage	
		Year 2000	Year 2015
Peak (30min)	6am-9am & 3:30pm-6:30pm	1,820	2,290
Midday (60 min)	9am-10am & 2:30pm-3:30pm		
Evening Service (60 min)	6:30pm-7:30pm		

Source: BRW, Inc.; March 1997

Table 4
Year 2000 & 2015 Boardings by Station (average weekday)

Station	Estimated Boardings	
	Year 2000	Year 2015
Merlo	470	590
Beaverton Center	160	210
Washington Square	260	320
Tigard	340	430
Tualatin	370	470
Wilsonville	220	270
Totals	1,820	2,290

Source: BRW, Inc.; March 1997





METRO

May 21, 1997

Mr. Don Aman
Program and Financial Services
Oregon Department of Transportation
Room 307, Transportation Building
Salem, OR 97310

Dear Mr. Aman:

Over the past several months, the region has struggled to identify the funds that will be available in FY 97 to support the "local program" component of transportation projects in Region 1 and to determine which projects will receive funding this year given the shortfall both of funding and of statewide obligation limitation. The following information is to cement our understanding of the current picture and to identify the region's obligation priorities for the remainder of the fiscal year.

Available Local Program Limitation

The local program limit applies to projects programmed within the Region 1 jurisdiction including those located in the rural portions of Region 1 outside of the Metro MPO area. Fund codes effected are Regional STP (33C/35B but excluding 34B funds that have their own obligation limit), Transportation Enhancement (33B), CMAQ (320), HBRR On/Off System (114/117), Safety (33P/141/33A) and Interstate Transfer, or e4 (including 177/178 but excluding 580 funds that are unlimited).

Based on communication to Michelle Thom from Dani Nelson of your office, Metro has been advised that the Region 1 local program can expect a minimum of \$24,928,000 federal share in local program obligation authority in FY 97. This applies to the entirety of Region 1. Additionally, the federal fund codes STP 34B (Minimum Allocation) and e4-580 (Interstate Transfer), which have no limitation, have balances of \$864,354 and \$464,354, respectively. Therefore, the Region 1 local program can expect to obligate up to \$26,257,141.

Additionally, Region 1 staff have confirmed misobligation of state program commitments against local program revenue sources and obligation limit totaling \$2,202,288 (see Attachment 1).

Region 1 will request correction of these obligation errors. Upon corrections being executed, the grand total of the FY 97 Region 1 local program obligation limit will be \$28,459,429 (federal dollars), as shown below.

AVAILABLE LOCAL FUNDS

Local program limitation	\$24,928,000
Funds available with no limitation:	
e4 580 Funds.	464,787
Minimum allocation 34B funds.	<u>864,354</u>
Subtotal Local Program Limitation.	\$26,257,141
Added Local Program Limitation	<u>2,202,288</u>
Total Max Local Program Limitation with Deobligations.	\$28,459,429

In order to utilize the e4-580 component of this limit, the following issue must be resolved. In FY 96, obligations totaling \$750,104 were posted against regional 33C funds for Johnson Creek Boulevard: 32nd Avenue to 45th Avenue project (ODOT Key #06357). No authorization was ever made for use of 33C funds on this project. Rather, an outstanding balance of \$700,290 of IX funds remains authorized for this project. We anticipate that \$464,354 of the posting against 33C funds will be reversed, freeing an equal amount of 33C obligation limit, and that reobligation of the funds will then be posted against the unlimited IX 580 funds. (Eventually, though not necessarily this fiscal year, Metro expects that the entirety of this project's 33C incorrect obligation will be dealt with.)

Obligations to Date

Through April, the region has obligated and deobligated a net \$6,763,976 of preliminary engineering, right-of-way and/or construction against the available local limit. Additionally, the region has authorized -- and is committed to obligate in FY 97 -- \$15,833,400 toward four interrelated Hawthorne Bridge projects. Thus, a balance of \$5,862,053 of local program obligation limit remains.

Approved Obligations Up to Current Local Program Limit

The TIP Subcommittee of TPAC has agreed to obligation of the local program balance on the projects identified in the "FY 97" column of Attachment 2. The Hillsdale Pedestrian Improvement: Burlingame to Berthe Court (ODOT Key #08821) is funded through both regional and state STP funds and is identified to use \$79,000 of local limit. This assumes use of \$60,000 of state limit for which we would like your confirmation. According to Michelle Thom, Region 1 has committed to fund its \$60,000 share

in FY 97 using state limit. The Albina Overcrossing PE project (Key #08824) is also split between local and state funds. The City of Portland will scope an initial PE phase sized to the \$238,181 of local limit funds allocated to the project. We understand the balance of \$362,000 of state funds for the Albina project is included in the Region 1 FY 98 Financial Plan.

State Program Limitation Issues

We understand that Region 1 will endeavor to assure obligation within the state limit of minimum phases requested by local jurisdictions for:

<u>Project</u>	<u>Phase</u>	<u>Amount</u>	<u>Key No.</u>
99W/Tualatin Road/124th Realignment	R/W	\$242,000	08830
Forest Grove: Hawthorne St.-Quince St.	PE	10,000	08831
Murray So. Signal Interconnect/Opticom	PE	10,000	08832
Lovejoy Ramp Replacement	PE	200,000	08820

Please confirm that these obligations will proceed within the state limit.

Note: A balance of \$854,000 of PE for the Lovejoy project is to be included in the Region 1 FY 98 Financial Plan. With respect to both the "local" and "state" program projects listed above, requests for federal funding in excess of the amounts listed should be refused pending written approval by Metro.

FY 97 "Shelf" Projects and FY 98-01 Programming

The "FY 98" column of Attachment 2 lists a set of projects that will be deferred from FY 97 to FY 98 or beyond under the programming described above. At this time, most of the projects in Attachment 2 anticipate bid-ready dates in FY 97. They should therefore be considered for inclusion in lists submitted for redistribution funds, if any such funds become available this year. Metro defers to the ODOT local program coordinators with respect to their determination of which projects will meet ODOT criteria for redistribution "shelf" status.

Additionally, deobligations may continue to post throughout the current fiscal year, increasing the local program obligation limit. As such funds become available, Metro will advise ODOT of desired Region 1 local obligation priorities.

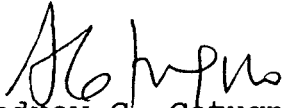
The balance of projects in Attachment 2 that do not receive funding in FY 97 will defer to the FY 98 or later program. Metro

Don Aman
May 21, 1997
Page 4

will coordinate with Region 1 staff to integrate these with the other currently programmed projects that are already assured of missing an FY 97 bid letting.

If you have any questions, please contact me or Terry Whisler at 503-797-1747.

Sincerely,



Andrew C. Cotugno
Transportation Director

ACC:TW:lmk
Attachments

CC: Terry Whisler
Mike Hoglund
Don Wagner
Dave Williams
Michelle Thom
Tamira Clark

Attachment 1

Proposed Deobligations	AMOUNT	PHASE	KEY #
Col/Burgard Intch (35B to 33D)	15,927	pe	8814
Col/Burgard Intch (35B to 33D)	<u>16,649</u>	pe	8814
Subtotal 35B deob	32,576		
Col/Burgard Intch (34B to 33D)	174,973	rw	8814
Gresham Civic N/S Collector (34B to 33D)	1,583,584	con	8825
Gresham Civic N/S Collector (34B to 33D)	192	con	8825
Pac W @ Tualatin Rd (34B to 33D)	<u>410,963</u>	pe	8830
Subtotal 34B deob	2,169,712		
**Add'l Local Pgm Limitation w/add'l deob's	2,202,288		

RECOMMENDED OBLIGATIONS IN FY 97 AND DELAYS TO FY 98

MPO Program Recommendation	FY 97	FY 98	PHASE	KEY #
Metro Planning for 1997	600,000		pe	??
Springwater - Milwaukie	51,150		con	7260
So Trolley Extension	380,013		con	6755
SW 141st - Menlo Ave	340,974		con	7045
112th Ave Linear Park	10,000		pe	6968
Traffic Signal Coordination Plan (Gresham)	128,728		con	7252
Ped. Facilities for Transit Access (PtInd)	3,000		utilities	7292
185th: TV Highway-Kinnaman Rd.	36,000		pe	8679
Cedar Hills: Bowmont-Butner	45,000		pe	8644
Hillsdale Ped: Burlingame - Bertha Court, Ph1 (PtInd)	79,000		pe	8823
Albina OX'g, N Lewis Ave - N Interstate Ave	238,181		pe	8824
Pedestrian to Transit (Ph 3)	877,600		con	7292
Morrison Br. Ramp	157,600		con	9016
Oregon Electric R/W	35,000	62,600	pe/rw/con	6760
TOD Phase II		800,000		
Beaverton Central TOD		304,000		
Strawberry Lane: Webster/I-205 Bikelane		187,200		
Ped to Max Capitol Imp (Gresham)		832,000	con	7251
Hawthorne & Madison St. Br Ramp		164,000	con	9015
Columbia Slough (138th Av) Br		640,000	con	8500
SE 39th Ave-SE 52nd Ave (Portland)		54,000	pe	8821
Hall Blvd: Ridgecrest Drive - SPRR X'ing		50,000	pe	9341
Peninsula Trail Crossing		504,000	con	?
Lombard/Burgard		320,000	con	?
MPO Subtotal	2,982,246	2,564,000		
				Co. may withdraw request
Rural Program Recommendation	FY 97	FY 98	PHASE	KEY #
Three Columbia Co. Bridges	735,000		con	9052
Sandy Rvr (Lusted Rd.) Bridge	1,840,000		con	6333
Estacada Trail	98,700		con	7165
Molalla River Pathway	32,000		pe	7574
Dairy Cr (Cedar Canyon Rd) Br	5,000	224,000	rw/con	7249
Dairy Cr (Greenville Rd) Br	5,000	250,000	rw/con	7248
Abernethy Creek Bridge (Anchor Way)		105,000	pe	8525
Rural Program Subtotal	2,715,700	579,000		
TOTAL RECMND'D LOCAL PROGRAM OB'S	(5,697,946)			
BALANCE OF MAX LOCAL LIMITATION	5,862,053			
BALANCE	164,107			

**TOLLWAY ADMINISTRATIVE RULES
PROPOSED OUTLINE AND CONTENT**

Discussion Draft

Prepared by Cogan Owens Cogan and ECONorthwest

Revised April 17, 1997

xxx-xx-010 Purpose: These rules describe the process for initiating, evaluating, authorizing and administering tollway projects proposed by private entities; and local, regional or state government. They include requirements for submitting project proposals; guidelines for considering financial and other issues; and requirements for consistency with other local, state and federal policies and processes.

xxx-xx-020 Definitions. As used in OAR xxx-xx-020 to xxx-xx-080:

- (1) "Agreement" means a memorandum of agreement executed by the Oregon Department of Transportation with any private entity or governmental agency to implement the purpose of Oregon Revised Statute 383 or this administrative rule.
- (2) "Department" means the Oregon Department of Transportation.
- (3) "Environmental impacts and assessment" means the assessment of impacts on the environment and any proposed mitigation of impacts, consistent, at a minimum, with state/federal rules, regulations and standards.
- (4) "Financial and institutional capacity" means the current and projected available financial, personnel and other institutional resources available to a private entity or local or regional government necessary to finance and administer a proposed project.
- (5) "Justification" means a concise statement that, at a minimum, explains why the proposed facility is needed; the specific problems that will be resolved; lists specific benefits expected to accrue to the general public; and defines expected impacts on existing/planned transportation facilities near the proposed facility.
- (6) "Liability-creating events" means events that create potential liability for the Department, particularly events where the determination of who is liable could be disputable. Examples include, but are not limited to, accidents due to material or design defects or construction-related events.
- (7) "Local and statewide economic impacts" means estimated impacts on employment, retail sales, tax revenues and/or other economic indicators for the state and local jurisdictions in which the proposed project is located.
- (8) "Minimum STIP requirements" means requirements imposed by the Department and local or regional governments through the Statewide Transportation Improvement Program (STIP) as defined below.
- (9) "MPO" means any metropolitan planning agency in Oregon designated by the state or federal government as responsible for transportation planning and coordination within its jurisdiction.

- (10) "Perfected security agreement" means an agreement giving the Department a clear and senior claim on a security in the event of default or other condition identified in the agreement.
- (11) "Private entity" means any nongovernmental entity, including a corporation, partnership, company or other legal entity or any natural person.
- (12) "Reasonable rate of return on investment" means a percentage rate calculated in an agreement that establishes an annual average profit rate. This rate will be negotiated between the Department and any other party to the agreement and calculated pursuant to section xxx-xx-060(5) of this rule, as well as any other procedures developed by the Department to implement this rule.
- (13) "Regional decision-making body" means any MPO, Council of Governments or other regional body recognized by the State of Oregon as having authority to make binding regional decisions regarding transportation and land use planning.
- (14) "RTP" means a Regional Transportation Plan adopted by Metro or any other MPO.
- (15) "STIP" means the Statewide Transportation Implementation Program as adopted and implemented by the Department and the Oregon Transportation Commission (OTC). Rules and procedures for implementing the STIP are found in the *STIP Development Manual* adopted by the Department.
- (16) "Tollway Account" means a separate account within the State Highway Fund as defined in ORS 383.009.
- (17) "TSP" means any adopted regional, county or local Transportation System Plan.

xxx-xx-030 Initiation by public and private entities, initial review and administrative fee.

(1) Local or regional governments may propose tollway projects at any time. In addition to information required for the STIP process, local governments shall provide information on the following:

- (a) Estimated local funding contributions;
- (b) Estimated portion of costs to be covered by toll revenues;
- (c) Proposed sources of additional funding;
- (d) Justification for project to be constructed as a tollway;
- (e) Proposed ownership and financing arrangements; and
- (f) Financial and institutional capacity to meet proposed responsibilities for finance, operation, maintenance and administration.

(2) Private firms may propose tollway projects at any time. Proposals shall be submitted to the Department regional manager for the region in which the majority of the proposed project, measured in lane-miles, is located.

- (a) If a proposed project is already included in the STIP or a local transportation system improvement plan, the proposer shall submit the following information:

- (A) Qualifications and experience in previous similar projects;
 - (B) Size and form of proposed financial commitment, if any, from the government sector and private sources;
 - (C) Financial and institutional capacity to meet proposed responsibilities for finance, operation, maintenance and administration;
 - (D) Proposed form, extent and duration of government participation; and
 - (E) Time schedule for completion.
- (b) If a proposed project is not already included in the STIP or any local or regional transportation system plan (TSP), the proposer shall submit the information required in subsection (a) of this section, as well as information required by local, regional or state transportation planning agencies needed for the STIP process.
- (c) Private entities shall agree to cooperate with the Department and local or regional governments in their review and evaluation of proposals through the STIP process.
- (3) Department staff shall review proposals submitted by local governments or private entities.
- (a) The Department shall review proposals submitted by local governments to determine if the proposing agency has adequately demonstrated it can meet its proposed responsibilities for financing, operating, maintaining and administering the project. Upon making such a determination, the Department shall do the following:
- (A) If the project is in the STIP, the Department shall proceed to further detailed review pursuant to section xxx-xx-050 of this rule;
 - (B) If the project is not already in the STIP, Department staff shall determine whether the project could meet minimum STIP requirements. If the Department makes such a determination, it shall proceed to further detailed review pursuant to section xxx-xx-050 of this rule;
- (b) The Department shall review proposals submitted by private entities to determine if the proposer has demonstrated the experience and capacity to build, operate or maintain the proposed facility and the project. Upon making such a determination, the Department shall do the following:
- (A) If the project is in the STIP, the Department shall proceed to further detailed review pursuant to section xxx-xx-050 of this rule;
 - (B) If the project is not already in the STIP, Department staff shall determine whether the project could meet minimum STIP requirements. If the Department makes such a determination, it shall proceed to further detailed review pursuant to section xxx-xx-050 of this rule;

- (c) Proposals submitted for further review pursuant to subsections (a) and (b) of this section also shall be forwarded for review by the Department to local or regional governments for cities, counties and regions in which the project is located.
- (4) The Department shall charge the following fees for reviewing any project proposed by a private entity to a local, regional or state government or other public agency:
 - (a) For initial review pursuant to section xxx-xx-030(3)(b), the administrative fee shall be \$10,000;
 - (b) For projects that are approved for detailed consideration and evaluation, the additional fee for review pursuant to section xxx-xx-050, shall be \$40,000; and
 - (c) Review fees will be deposited in the State Tollway Account and used to cover the cost of reviewing proposals.

Discussion

The statute allows ODOT, local governments or private entities to initiate a tollway project, but does not specify the type of projects that can be initiated or the process for doing so. In most other states, the state transportation department issues a request for proposals and accepts proposals from private entities. In Florida, administrative rules govern the process by which the state manages a turnpike authority, allows for counties to establish regional tollway authorities and encourages private consortia to propose new tollway projects. They note that this enhances competition, stimulates submission of better proposals and facilitates completion of projects before FDOT could otherwise fund them. In our case, an administrative rule is required and is the appropriate mechanism for defining the initiation process.

ODOT management staff, most stakeholders interviewed and project policy advisors recommend a flexible and inclusive approach to initiating projects. They suggest that any local or private entity be able to propose a project to encourage innovation and be responsive to local needs. At the same time, most say that ODOT should have a central oversight role. For projects integral or vitally connected to the state transportation system ("state projects"), the state should have primary oversight authority. For local or regional projects, they recommend more local oversight. For all projects, most people recommend that ODOT have at least a coordinating role. The above process is designed to meet these objectives.

Those involved in drafting the rules were nearly unanimous in their belief that the tollway initiation and review process should be integrated with the existing STIP process. Accordingly, we reference STIP requirements in this and other sections and provide an entry point to the STIP.

A two-step review process has been proposed. In the first step, ODOT would evaluate general feasibility and the financial and institutional capacity of the proposer to meet their responsibilities to construct, maintain and/or operate the facility. The second step would be a detailed evaluation of design, financing and environmental and other impacts. This evaluation would be integrated and consistent with the STIP process. This process is intended to strengthen ODOT's coordinating role; establish an initial review fee that will

discourage frivolous proposals and reimburse a portion of expenses; and help integrate tollway initiation and review with the STIP process.

We surveyed transportation staff in several other states to determine how they arrived at their administrative review fee and whether they feel the fee is appropriate based on their experience to date. Most set the fee relatively arbitrarily and most are relatively satisfied with the results. In each case, the DOT needs to hire outside financial or other technical consultants to review proposals. In almost all cases the fee was set high enough (\$25,000 - 50,000) to discourage frivolous proposals. Virginia charges an initial fee of \$5,000 for a less detailed review of basic qualifications and general technical and financial feasibility. They wanted to limit frivolous proposals but also wanted to give smaller firms the opportunity to submit proposals. They charge an additional fee of \$20,000 for a more detailed subsequent review.

All of the people interviewed reported that they do not believe their fee covers the full cost of review, though several say they intended to subsidize review to some degree and see it as a developmental cost. Florida is an exception to this rule. They charge an initial deposit of \$50,000 and additional reimbursement for costs above \$50,000. Only one project has been submitted where the fee and expenses have not reached \$50,000, although the project is currently on hold and fees could theoretically reach or exceed \$50,000.

The initial costs of studying the Newberg-Dundee and Tualatin-Sherwood projects also indicate that the proposed fees will cover a portion, but not the full costs of evaluation. Washington County has spent approximately \$50,000 on study of the Tualatin-Sherwood highway as a first leg of the Western Bypass. ODOT's preliminary feasibility study of both projects has cost approximately \$200,000 to date.

Given the review process proposed, we recommend a two-tier fee, similar to Virginia's, though we recommend higher administrative fees, closer to those charged by California or Florida.

The issue of whether or not ODOT should develop a list of potential projects or locations, possibly originating in corridor or other planning processes also was discussed. While this could provide the private sector and local governments with direction about projects that meet statewide needs, it also could stifle creativity and innovation. We believe that the disadvantages of producing a list of recommended projects outweigh the advantages. Excluding or differentially ranking projects based on inclusion in an ODOT list is problematical. In addition, most proposed projects are likely to be already included in a local, regional or state improvement plan.

xxx-xx-040 Administration of projects.

- (1) Once the Department approves a tollway project, it may enter into an agreement with a local or regional government or private entity to design, build, operate, maintain or administer a tollway project.
- (2) Before entering into such an agreement, the designated government agency or private entity must demonstrate the financial and legal capacity to meet its

responsibilities for financing, operating, maintaining or administering tollway projects.

Discussion

As noted above, ORS 383 gives ODOT responsibility for entering into agreements with private entities or other units of government to design, build, operate or maintain a tollway. It creates a State Tollway Account for moneys associated with tollway projects and specifies that ODOT is to administer the account. It also specifies a variety of public-private partnership arrangements that may be undertaken to plan, finance, build, maintain and operate tollways.

As with the initiation process, ODOT staff, stakeholders and policy advisors recommend an approach that is flexible and responsible to local needs but ensures adequate state oversight. Local or regional governments should be able to establish tollway authorities or administer primarily local or regional facilities, provided they have the financial and legal capacity to do so. Local and regional projects may be defined as those serving or benefiting local populations, (those that do not have major connections to state facilities?), and those that would not significantly restrict existing access to adjacent areas. Requiring such arrangements to be part of an agreement with ODOT should ensure adequate oversight.

xxx-xx-050 Evaluation.

(1) Projects shall be evaluated for inclusion in the STIP by the Department (for statewide projects) or the appropriate MPO or other recognized regional decision making body. After the Department has made a determination, pursuant to section xxx-xx-030, that a project is feasible and the proposer can meet its proposed responsibilities for financing, operating, maintaining and administering the proposed project, the proposer will submit additional information to be used in the STIP evaluation process, including:

- (a) Engineering information related to alignment, cross-section, access points and other related factors;
- (b) Right-of-way needs;
- (c) Estimated local and statewide economic impacts;
- (d) Environmental impacts and assessment; and
- (e) Detailed finance plan and cost information.

(2) Evaluation criteria and procedures shall be the same as those used for other STIP, TIP or RTP projects or other regional transportation decision-making processes, except as follows:

- (a) Until formally incorporated in existing processes, criteria and procedures also must include:
 - (A) Consideration of local and statewide economic impacts;

- (B) Comparison of traffic congestion and economic conditions in communities served by competing tollways financed in part by state funds; and
 - (C) Other provisions set forth in this rule.
- (b) Unless already included in the evaluation process, availability of funds from toll revenues or other sources of funding not budgeted through the STIP process shall be considered in ranking projects. Given a financially constrained STIP, the availability of toll or other local revenues shall improve a project's ranking to the extent that they enhance other elements of the state transportation system or the system as a whole.
- (3) Projects must be consistent with applicable federal, state, and local plans and policies, including:
- (a) Local and regional TSPs;
 - (b) Local and regional land use and comprehensive plans; and
 - (c) All other plans and policies referenced in STIP consistency requirements.

Discussion

In most other states surveyed for this project, including Virginia, Florida, Minnesota, South Carolina and Texas, tollway projects already must be in the STIP or added to it to be approved. Furthermore, in Minnesota and Virginia the STIP evaluation criteria are applied to all projects, including tollways.

Those who participated in drafting these preliminary rules agreed that tollway projects should be evaluated alongside other STIP projects. To establish a separate process would be redundant and inconsistent with Oregon's transportation planning process. Most agree that the only significant difference between tollway and other STIP projects is the availability of toll revenues or other funds not typically available for other projects and see no reason to evaluate tollway projects using a different process. Consequently the STIP process is referenced liberally in these sections.

Though a variety of factors are considered in ranking projects during the STIP process, some of the required criteria included in ORS 383 are not formally referenced in any document pertaining to the STIP. Consequently, they are included in this rule, with the provision that they must be considered in addition to other STIP requirements until they are formally incorporated in the STIP process (see section xxx-xx-050(2)(a)).

The majority of, though not all, who provided advice agree that the availability of toll revenues and other additional funds should have an impact on the ranking of a tollway project within the STIP since it affects the project cost (in STIP dollars) and may make it possible to develop more non-tollway projects. On the other hand, people also expressed a concern that bad projects not be built just because toll or other money is available. Using the STIP evaluation process to rank tollway projects will reduce the likelihood of such a situation. Advisors recommended two alternative methods of using the availability of toll or

other revenues to re-rank tollway projects within the STIP (listed above in italics). They also suggest providing very flexible language and leaving implementation to the STIP process.

Requiring review and approval by a regional decision-making body will encourage local jurisdictions in a region to consider the trade-offs between using STIP or local funds for tollway or other projects and facilitate buy-in at the regional level.

xxx-xx-060 Financial and ownership agreements, use of public funds, risk to the state and rate-of-return.

(1) The Department may enter into agreements with private entities to design, build, maintain or operate tollways. Arrangements include those specified in ORS 383.

(2) In general, public funds should be considered only when a project will provide significant, beneficial effects beyond the immediate users of the facility, such as environmental benefits, significant improvements in the performance of other portions of the state roadway network, or demonstration value. In determining how to most appropriately use public resources, the Department may:

- (a) Use public money in a manner consistent with the use of such moneys in non-tollway projects;
- (b) Use public funds to underwrite studies and other costs associated with public planning processes such as for environmental studies;
- (c) Contribute moneys dedicated to special facilities, such as structures of a tollway project that serve non-economic, but socially-desirable goals (e.g., facilities for handicapped vehicles and interchange modifications that improve performance of another roadway); and
- (d) Consider the provision of future revenue guarantees.

(3) Financial risk to the state is affected by:

- (a) Amount of equity the State commits to the project;
- (b) Degree of leverage [debt-finance] of the project, generally, and the use of publicly-issued bonds to finance the facility, specifically;
- (c) Degree to which the state highway system is dependent on the project; and
- (d) Other factors, including:
 - (A) Level of liability-creating events assumed by the state during construction and operation;
 - (B) Accuracy of traffic demand forecasts, cost studies, and other analyses; and
 - (C) Financial stability of the private partner in the facility.

- (4) To reduce financial risk to the state, the Department may consider the following procedures:
- (a) Obtain independent investment banking analysis of the transaction and contract terms;
 - (b) Acquire appropriate guarantees, perfected security interests, and other protections from the actions of risky partners;
 - (c) Obtain ownership and/or control interests in the facility as necessary to balance the assumption of liability with the ability to control that liability; and
 - (d) If assuming liability, exert control over that liability by participating on boards or committees of the entity building and/or operating the facility.
- (5) The state shall negotiate a reasonable rate of return on private investment (ROI) with any private entity participating in building, operating or maintaining a tollway, based on the following considerations:
- (a) The ROI should be equivalent to the rate of return available on alternative investments of like risk, duration, and tax treatment in the private marketplace; and
 - (b) The ROI should be properly computed recognizing the financial structure of the total financing, including:
 - (A) The type of debt used;
 - (B) The value of the State's contribution to equity [e.g. rights-of-way];
 - (C) The role of implicit or explicit financial guarantees and contingencies; and
 - (D) The structure of ownership and control over the facility's life.

Discussion

As with other aspects of the rules, the range of financing and ownership arrangements allowable should be as inclusive as possible. The optimum arrangement in any given situation likely will vary on a case-by-case basis and should not be prescribed in the administrative rule. However, ODOT should have guidelines for determining how public funds can best be used to leverage private contributions, increase the economic viability of a project or simply use state resources most cost-effectively. For example, due to the risks associated with up-front costs for designing or developing a facility, the private sector may be unwilling to participate in tollway project development unless the public sector underwrites or limits costs of environmental impact or other needed studies.

This provision of the rules provides several recommendations for minimizing risk and controlling liability.

ORS 383 requires the state to negotiate a "reasonable rate-of-return" for private investment. Rate-of-return is calculated in a variety of different ways and it may not be appropriate or

beneficial to specify a given rate in the rule. However, it is essential that certain factors be considered in calculating the rate-of-return and appropriate for the state to require a rate-of-return comparable to private investments of similar type and duration.

xxx-xx-070 Legislative Authorization.

(1) Upon inclusion, ranking and approval through the process outlined in previous sections of this rule and the STIP process, the Department shall submit tollway projects to the legislature for consideration/approval.

Discussion

ORS 383 states that, with the exception of the Newberg-Dundee bypass and the Tualatin-Sherwood Highway, any other project must be authorized by the legislature based on consideration of a number of factors included in the statute. Therefore, for the time being, the rule needs to include this provision. However, it may be advisable to revise the statute, given that the rule integrates initiation and evaluation of tollways in the STIP process and concerns by ODOT management staff and others that future tollway projects could be introduced to the legislature by entities other than ODOT, circumventing state planning processes. We recommend ODOT pursue legislation to revise ORS 383 to provide ODOT and local/regional governments the authority to authorize projects pursuant to review, evaluation and approval through the process prescribed in this rule.

xxx-xx-080 Public notice/involvement requirements.

(1) The Department or local or regional decision-making bodies shall provide opportunities for public notice and involvement in accordance with existing requirements for the STIP or similar local or regional transportation planning processes.

(2) In conducting public outreach efforts, agency personnel shall specify that tolls will be collected to finance the project and make efforts to inform and involve those most affected by tolling

(3) Though the public will be informed about proposed toll rates, rates shall be negotiated between the Department or a local/regional government and any participating private entity

Discussion

Though tolls and tollway projects may be controversial and represent a significant change in transportation financing, nearly everyone involved in drafting these rules stated that existing public involvement policies and strategies are adequate for informing and involving the public in decisions about tollway projects. They feel that additional requirements will be redundant. However, several people suggested that public outreach efforts should be targeted to those most affected by tolls and emphasize the fact that revenues will be collected via tolls. They also noted that the subject of transportation financing is complicated and confusing and general education on it would be helpful in conjunction with outreach efforts for tollway projects.

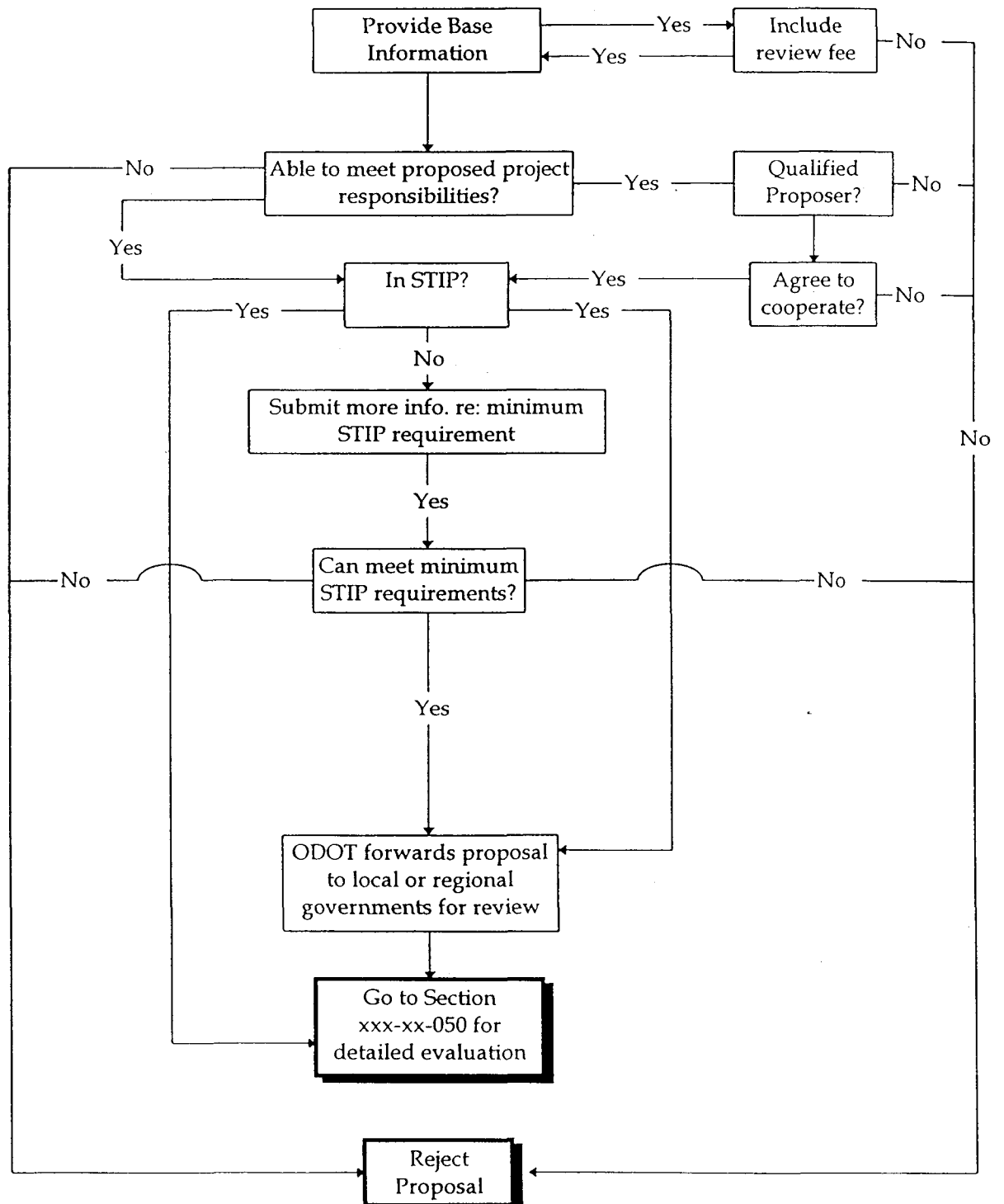
FLOW CHART FOR INITIATION OF A PROPOSAL PURSUANT TO SECTION XXX-XX-030

Proposed by:

Local or Regional Government

Either

Private Entity



COMMITTEE MEETING TITLE

JPACT

DATE

6-12-97

NAME

AFFILIATION

Susan McLain

Metro

David Lobman

Port of Portland

Dan Wagner

ODOT

Dean Cookinill

PTC

EP. WASHINGTON

METRO

Dave Yaden

Tri-Met

Mary Leary

WSDOT

Jim Kagit

4-cities

GREG GREEN

DAK W

CHARLIE HALES

Portland

MEL GORDON

CLARK COUNTY

ROB DRAKE

CITIES OF WASH. COUNTY

TANYA COLLIER

MULTNOMAH COUNTY

Andy Gofrus

Metro

Jon Kuster

METRO

Ed DeSantis

CLATSOP CO.

Craig Lomnick

Cities of Clatsop Co

ROBERT

CLATSOP CO. COMIT

GB ARRINGTON

TRI-MET

Pat Callmeyer

NGI

Bill Paul

Metro

Paul Silver

city of Wilsonville

John C. Magnano (Passenger Rail)

WSDOT/ODOT

Vancouver, USA

COMMITTEE MEETING TITLE

JPACT

DATE

6-12-97

NAME

AFFILIATION

XAVIER R. FALCONI

TVEDC

LARRY SHAW

METRO

GORDON OLIVER

Oregonian

Chris Hahnemann

PEC

Scott L. Rice

Cornelius City Council

Meeky Blizzard

Congressman Dal Blumensauer / STOP

Michele Thom

ODOT - Reg 1

Bruce Solberg

Daily Journal of Commerce

Mike Hoopland

Metro

Kay Walburn

Cornelius City Council

Chris DeFibach

Metro

STEVE DOTTERER

CITY OF PORTLAND STAFF

Elsa Coleman

||

DAVE WILLIAMS

ODOT

June Carlson

ODOT