

Meeting Minutes

**Central Oregon Area Commission on Transportation
COACT
November 8, 2007**

Members:

Dennis Luke (Deschutes County), Lynn Lundquist and Scott Cooper (Crook County), Bill Bellamy (Jefferson County), Dan Lovelady (City of Prineville), Bill Friedman (City of Bend), Peggy Fisher (USFS), Alan Unger (City of Redmond), Jeff Monson (Commute Options), Brad Boyd and Eileen Stein (City of Sisters), Gary Farnsworth (ODOT), Gus Burrell (City of Madras), and Joe Mansfield (City of Redmond).

Guests:

Peter Murphy (ODOT), Rick Root and Nick Arnis (City of Bend), Tyler Deke (Bend MPO), Chris Doty (City of Redmond), Nunzie Gould (Deschutes County Resident), Scott Smith and Jerry Brummer (City of Prineville Public Works), Carolyn Johnson and Mike Johnson (Concerned Citizens of Terrebonne), Carol Macbeth (1,000 Friends of Oregon), Ron Garzini (City of Bend), Linda Maggard (City of La Pine), Steve Uffelman (City of Prineville), Dana Cork (BLM), and Tom Blust (Deschutes County).

Staff:

Andrew Spreadborough and Kelly Elzner (Central Oregon Intergovernmental Council).

Call to Order and Introductions

Chair Dennis Luke called the meeting to order and introductions were made.

General Public Comments

Mr. Mike Johnson, a Terrebonne community resident, spoke about problems on the O'Neil Highway. He distributed a handout and spoke in favor of the proposed O'Neil Highway Improvement Project (ON-HIP). Mr. Johnson explained that the O'Neil area is one of Central Oregon's primary rock resources, and that until recently the O'Neil Highway was a major trucking route to transport this rock. A recent restriction disallows vehicles that are longer than 52 feet to travel on the first five miles of the O'Neil Highway, which has forced the trucks to use Smith Rock Way as an alternative route. The result of this action is compromising safety, economic development and local tourism at Smith Rock State Park and within Terrebonne. He said that he and many area residents would like to see the O'Neil Highway Improvement Project included on the STIP.

Judge Scott Cooper agreed that this issue is a concern for Crook County, and supported working toward addressing the problem. Chair Luke requested that ODOT staff work on solutions to this issue. Gary Farnsworth agreed to convene a work group including Tom Blust, Deschutes County; Penny Keller, Crook County; Chris Doty, City of Redmond; and Dan Lovelady, City of Prineville Railroad.

2008 Officers

Chair Luke said that the scheduled rotation of COACT leadership means that Jefferson County Commissioner Bill Bellamy will rotate into the Chair position beginning January 1, 2008, Crook

County Commissioner Lynn Lundquist will become the Vice Chair. The 2008 COACT leadership assignments were approved by consensus.

Meeting Minutes

The September 13, 2007, meeting minutes were approved by consensus.

2008 Meeting Calendar

Mr. Spreadborough said that the 2008 COACT meeting schedule was included within meeting packets. Chair Luke noted that the only potential conflict would be if the Association of Oregon Counties meets on November 13th. Staff will research this and notify COACT of any necessary changes.

Mr. Farnsworth explained that when necessary, the Technical Advisory Committee will meet on the same day that the Executive Committee meets.

Destination Resort Follow-up, Summary of Oregon Transportation Commission Meeting

Mr. Gary Farnsworth distributed a summary of discussion points and questions that emerged from the September 13 COACT discussion on destination resorts, and read through the document item-by-item. He started with the two primary topic areas. Topic Area #1 was “Research the ability or authority of a county to require developers to make improvements in a neighboring city or county.” For this question, he noted that he researched by contacting Department of Land Conservation and Development staff, Department of Justice in Salem, and ODOT planning staff. He found that there does not appear to be Planning Rule or legal restrictions on requiring mitigation outside the boundaries of the jurisdiction approving the development. He said that there are a variety of issues to consider, and summarized those issues. He noted that the handout summarized what he had found so far, and that he would be happy to research other questions related to this topic.

Mayor Unger said that as Crooked River Ranch has grown, it has become more like a rural subdivision than a destination resort. He asked how this change in use patterns affects this issue. Chair Luke answered that Crooked River Ranch was always a subdivision. Mr. Doty said that the trip rate studies confirm that the actual counts for destination resorts are 1/3 that of an urban subdivision on a per residential unit basis. Destination resorts function differently than rural subdivisions, based on services available on site and seasonal nature of residents. Mr. Farnsworth said that the discussion on rural subdivisions was related to Measure 37, and that there may be more information on Measure 37 needed for future discussion.

Chair Luke referred to the last bullet on topic #1 – “A county could condition development upon getting any needed permits from a third party.” He said that he doesn’t know of any county that would give the approval process away. Commissioner Bellamy said that a county could require permits from another entity – they do it routinely in Jefferson County. He said that you are not giving away authority, only making a required restriction on the developer. He said he didn’t see it as a problem.

Mr. Farnsworth then read through Topic #2- “With an observation that resorts/rural subdivisions are emerging given they can avoid fees and other responsibilities, what changes would need to be made to create more equity with respect to urban areas?” Mr. Farnsworth then read through options, including development of county system development charges, revisions to Goal 8, and pilot SDC program for improvements to the state highway system.

Chair Luke questioned if County SDCs could be used outside the jurisdiction. Mr. Farnsworth said that the point made at the last meeting by Mike Morgan was that there are little or no requirements placed upon developers in non-urban areas. SDCs could offset the cost on the system and handle the excess traffic. Chair Luke said that system development charges cannot be used for repairs or maintenance; they can be used only to increase capacity. Mayor Unger commented that he would like to research ways to increase revenue in addition to System Development Charges. For instance, consider transportation charges. Commissioner Bellamy said that the cities have been much more successful in generating revenue by charging developers. However, there are limitations within the county system regarding how SDCs can be applied. Mr. Farnsworth said that he had noted additional questions on this topic that will require research.

Mr. Farnsworth said that the Oregon Transportation Commission is interested in coming to Central Oregon for a forum focused on the issue of destination resort impacts. The Commission hosted a meeting in Bend a couple of years back that proved to be very useful. The proposed topics for discussion include the development processes, and SDCs and other mechanisms for balancing this issue. In addition this would be a great opportunity to discuss not just the question of equity, but also to discuss if this is how we want our growth to occur.

Councilor Friedman said that he is uncomfortable with a transportation agency managing growth – it should be the responsibility of the local jurisdictions. He said that he would be comfortable attending a meeting with the Transportation Commission where they would be open to looking at an integrated transportation system, which includes not only the state highway system but the county roads and city streets. Mr. Farnsworth said that he has come to belief that transportation is in fact a land use issue, and that we can not separate the two from discussion. Councilor Friedman said that if “land use” means “constraint”, then it makes no sense. If it means transportation and land use are related, and in some cases transportation enhances land use, then it makes sense.

Mr. Farnsworth continued through the handout, reviewing topic areas #3 through #5. Topic #3 states that “Trip generation for resorts can vary greatly....Recommended a regional agreement for trip generation be considered.” Topic #4 states “Help planning commissioners better understand issues and jargon used.” Topic #5 states “Develop an inter-jurisdictional decision making process.” On Topic #5, Mr. Farnsworth noted that Washington’s growth management law requires regional transportation planning organizations, similar to Metro in Portland. He also reported that ODOT is conducting a research project regarding the dynamics of MPOs and regional planning.

Ms. Peggy Fisher said that some destination resorts are located on forest service land. Originally these lands had co-op share maintenance agreements in place with the big timber companies for maintaining some of the access roads. The timber companies are gone mostly, which has resulted in the forest service taking on sole responsibility of maintaining these roads. Ms. Fisher added that the public expects these roads to accommodate vehicles other than 4X4s. She noted that the forest service does not have the resources for this level of maintenance, and that when these roads are being accessed for either fire escape or major access, the forest service should be brought to the table to the maintenance process.

Mr. Farnsworth said that he will continue to research the destination resort development and related issues raised today, with the goal of preparing background material for the Oregon Transportation Commission meeting.

Connect Oregon II Process Update

Mr. Farnsworth distributed a handout summarizing the timeline for the Connect Oregon II process. He said that the ODOT staff review of applications will be completed by January 7, 2008, and that COACT will be able to review proposed projects at the January 10 COACT meeting. He said that the 3-ACT meeting would be held on or around April 1, where regional priorities will be developed.

Mr. Dan Lovelady asked about the order of project review between the ACTs and modes. Mr. Farnsworth replied that for Connect Oregon I, the ACTs reviewed and developed priorities first, followed by the modes. The order will be reversed this round - the modes will review first this time, followed by the ACTs. He said that COACT will have feedback on the modal recommendations by March.

Chair Luke asked Judge Cooper to provide an overview of how the Connect Oregon I project selection process went, and asked for suggestions on how we handle it this year. Judge Cooper said that once the process gets to the review committee, it becomes a political process and is no longer a technical process. Based on his experiences with Connect Oregon I, Judge Cooper provided suggestions for the Connect Oregon II process:

Point #1: He said the review committee met for two days for Connect Oregon I, and they were stuck in a room with no agenda and told to come up with a list of recommended projects. He said that the modes (air, rail, transit, freight and marine/ports) were well organized compared to the regions. He recommended that applicants make sure to connect with the modal groups to get on their priority list. He said that the regional allocations were reduced to \$10 million for Connect Oregon II, so the modal support is important.

Point #2: Be sure that the three ACTs in the corridor (Central Oregon, Lower John Day and Klamath-Lake) agree on the \$10 million list of local projects. He said in Connect Oregon I, the Portland region had a hard time getting on the same page, and as a result they came out of the process dissatisfied with the results. He stressed that regions should get coordinated, and that they should not vary from the game plan.

Point #3: Project match is extremely important. When projects are on the table for consideration, a lack of match can be used as an excuse to throw a project overboard. The more match that is included within a project the better.

Point #4: Determine what the local priorities are, and keep them in the local pot. Let the statewide people carry the water on statewide projects. But be sure you are correct on what is a project of statewide significance. He said that this can be a gamble in some cases.

Judge Cooper wrapped up by saying that the three ACTs in the central corridor worked well together during the Connect Oregon I process, and he acknowledged the partnership with John Elliott and Laura Pryor. Chair Luke asked if Judge Cooper would be interested in representing COACT and Central Oregon once again within the Connect Oregon II process.

Mayor Unger said that the modes have been discussing how their recommendations will be forwarded to the Oregon Transportation Commission. He asked if the regions need to articulate their priorities to the Commission. Judge Cooper said that the last thing that the Commission would do would be to re-

think the recommendations emerging from the review process. It would be politically difficult to open the process again after the recommendations are developed.

Commissioner Bellamy asked how many Central Oregon Connect Oregon II applications there will be. The COACT members identified several potential applications: Redmond Airport, Bend Airport, Prineville Rail, Madras Airport, and Bend Transit.

Chair Luke thanked Judge Cooper for agreeing to again represent Central Oregon in the review process.

Review Options for Modernization Funding Reduction

Mr. Farnsworth referred to Attachment “C” of the meeting packet. He explained that this is an initial review of this information; his plan is to bring this back before COACT in January. The Oregon Transportation Commission is looking for recommendations from the regions by March. He said that the OTC has informed the regions that the 2008-2011 STIP modernization program needs to be reduced by \$70 million statewide due to funding shortfalls. Attachment C is a summary of two options for reducing the Region 4 share of the STIP by \$7 million; the assumption being that the Region 4 share of the modernization allocation is 10%. He distributed a breakdown of the Region 4 Modernization program for 07-11; the Total Region 4 Modernization Program share for 07-11 is \$48 million, with another \$23 million coming from other funding sources. So the \$48 million modernization share will need to be reduced by \$7 million. He said that ODOT staff drafted the two options within the Attachment C.

The group discussed Attachment “C” in detail, and Gary stressed that the reductions are focused only on the Modernization Program. Councilor Friedman said that there has been one instance where the OTC has disregarded the recommendations of the ACT and the modal groups – that is the US 97 and Cooley Intersection project. The OTC set aside the \$15 million in spite of the recommendations, pending a long-term solution for the highway. The funding was traded from OTIA to STIP due to the delay. Now that it has been moved over, he expressed concern that it appears eligible for a funding reduction. He said that an MOU is under development between ODOT and the City on this project, and expressed an interest in having a discussion with ODOT about how the proposed reduction would work.

Mr. Farnsworth said that a focus for both reduction scenarios was on reducing the right-of-way purchase line items. He also acknowledged a challenge related to the Modernization Program; on one hand it is a risk to invest in planning for a project when we are unsure if construction dollars will be available, while on the other hand ODOT anticipates a revenue increase, and projects that are ready to proceed will benefit should that funding become available. The question is – how can we balance that dilemma. He agreed that a discussion on the 97-Cooley Road project makes sense, but acknowledged that it also makes sense to have a discussion with all of the jurisdictions on where we identify the funding reductions.

Mayor Unger asked when reduced project funding would be added back. Mr. Farnsworth answered that the assumption is that we would be making a cut that would last through 2011. New modernization funding wouldn't be added until 2011. Mr. Farnsworth wrapped up by saying that this issue will be brought back in January for further review and discussion. Chair Luke suggested that those jurisdictions that are most affected by the change contact Mr. Farnsworth directly and then the Executive Committee can discuss.

Review Transportation Enhancement Program Policy Update

Mr. Farnsworth referred to Attachment “D” of the meeting packet, which summarizes proposed changes to the Transportation Enhancement Program selection criteria. Pat Fisher, TE Program Manager, has requested comments on the proposed changes. Attachment “D” includes comments from Central Oregon jurisdictions in regard to elimination of the “Special Preference” that was given to bicycle and pedestrian projects.

Chair Luke asked who makes the final decision on the proposed changes to the criteria. Mr. Farnsworth answered that Oregon Transportation Commission will make the final decision. Chair Luke asked what impact comments from ACT members would have. Mr. Farnsworth replied that all comments will be shared with the Commission. However, Pat Fisher was unsure the impact that the comments will have on the Commission’s decisions. Ms. Eileen Stein said that the City of Sisters is in concurrence with the comments made by the City of Madras. She asked if the bicycle and pedestrian project would be captured in other criteria. Mr. Farnsworth said that bicycle and pedestrian projects would still be eligible, but that other project categories would also be considered equally. A bulk of funding still may end up going to bicycle and pedestrian project, but they would be evaluated based on the application.

Roundtable

- Ms. Stein announced that the City of Sisters is gearing up for a TSP update.
- Mayor Unger said that the paving on the Redmond re-route is underway. He anticipates a challenge with the railroad - fixing the signal where the rail interacts with the re-route. Some traffic may be on the re-route by February, 2008.
- Mr. Ron Garzini said that there will be a meeting to cover the Juniper Ridge work plan and financial situation on November 19th.

At the request of Nunzie Gould, a Central Oregon Landwatch document on the Thornburgh destination resort was distributed to attendees.

Meeting adjourned at 5:00.