

Meeting Minutes

**Central Oregon Area Commission on Transportation
COACT
March 13, 2008**

Members:

Bill Bellamy (Jefferson County), Lynn Lundquist and Scott Cooper (Crook County), Dennis Luke (Deschutes County), Bill Friedman (City of Bend), Dan Lovelady (City of Prineville), Mike Morgan and Gus Burrell (City of Madras), Brad Boyd and Eileen Stein (City of Sisters), Robert Dee (City of La Pine), Dana Cork (BLM-Prineville), Carrie Novick (City of Redmond Airport), Alan Unger (City of Redmond), Bob Bryant and Gary Farnsworth (ODOT).

Guests:

Travis Brouwer, (ODOT) (via phone), Chris Doty (City of Redmond), Nick Arnis (City of Bend), Mike McHaney (Jefferson County), Tyler Deke (Bend MPO), Dale Keller (City of Prineville Railway), Janet Brown (Governors Office), Travis Garnick and Nan Garnick (Butler Aircraft Company), Mike Lovely (BMPO-CAC-SW Bend Neighbors Association), Tom Blust (Deschutes County), Mike Schmidt (Bend Chamber of Commerce), Scott Smith (City of Prineville Public Works), Heather Ornelas (City of Bend - BAT), Jerry Brummer and Jack Seley (City of Prineville), Scott Aycock, (COIC), Penny Keller and Bill Zelenka (Crook County), Jim Bryant (ODOT), Robert Berg and Travis Wells (City of Madras).

Staff:

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

Call to Order and Introductions

Chair Bill Bellamy called the meeting to order and introductions were made.

Meeting Minutes

The January 10, 2008, meeting minutes were approved by consensus.

General Public Comments

Chair Bellamy asked for public comments. Dan Lovelady introduced the new City of Prineville Councilor Jack Seley, Scott Smith of the Crook County Road Department, and Jerry Brummer of the Crook County Public Works Department.

Connect Oregon II

Gary Farnsworth distributed a Connect Oregon II Timeline & COACT Process handout, a table of Region 4 - Connect Oregon II project applications, and a Summary of Modal Reviews for Regional Committee use. Gary asked COACT members to declare conflicts of interest related to Connect Oregon applications. Those that declared a conflicts of interest: Carrie Novick, City of Redmond Airport, as the applicant for project A40031 – North Side Cargo Ramp and Development; Mike Morgan and Gus Burrell, City of Madras, as the applicant for project A40075 – Heavy Aircraft and Engine Maintenance Facility; Bill Friedman, City of Bend, as the applicant for projects T40010 and T40011 – Central Oregon Intermodal Transit Center and City of Bend Transit Stops; and Dan Lovelady, City of Prineville, as the applicant for project R40005 – Prineville Railroad Freight Depot.

Gary Farnsworth discussed the Connect Oregon review process and timeline, stating that the goal for today's meeting will be to develop recommendations and appoint delegates for the 3-ACT meeting on April 1st. Referring to the handout that summarized Region 4 project applications, he first explained that the projects listed above the double line are those projects submitted for the Central Oregon area. Gary noted that these six projects were listed in no particular order. The remaining projects listed were projects submitted from the other areas of Region 4. He said that we also have the opportunity to look at other applications of interest from other regions of the state.

Gary Farnsworth summarized the ranking systems for projects, noting that the first attempt at ranking reflected on the spreadsheet was a first attempt by ODOT staff, and was based entirely on the information provided within the applications. He said that the spreadsheet also shows the rankings of the modal committees. This is a \$100 million program, and each of the five regions within the state will receive 10%. The remaining \$50 million will be available statewide. He explained that part of the process is not only how determining how each region will spend their allocated \$10 million, but also how to compete for and attain as much of the remaining \$50 million dollars.

Gary Farnsworth said that at the last COACT meeting there was a recommendation that Scott Cooper represent COACT at the Regional and Final Review Committee meetings. He said that each of the Region 4 ACTs will be sending two delegates to these review meetings. COACT agreed by consensus to appoint Bill Bellamy and Scott Cooper as representatives for COACT at the 3-ACT/Regional Review Committee meeting, and the statewide Final Review Committee meeting.

Chair Bellamy invited project applicants in attendance to provide a brief (2 minutes each) project overview of their Connect Oregon II applications.

City of Redmond Airport North Side Cargo and Ramp Development: Carrie Novick explained that the current area used for air cargo was sufficient five years ago, but no longer meets the needs of the airport. An area is needed for air cargo that is safe to operate in, and that provides room to grow. The area in mind for the expansion is located north side of the airport. This is a tri-county project - air cargo for all of Central Oregon comes into the Redmond Airport. Eileen Stein asked why this project did not receive a mark under criteria "A" (whether a proposed transportation project reduces transportation costs for Oregon businesses or improves access to jobs and sources of labor). Jim Bryant answered that when reviewing the project he used only the information within the application.

City of Madras – Heavy Aircraft and Engine Maintenance Facility: Mike Morgan said that this project provides an opportunity for Butler Air to expand on its operations in Central Oregon while maintaining its presence at the Redmond Airport. Butler Air needs to relocate their heavy aircraft and engine repair operations, and would like to locate at the Madras Airport. They have been recruited by an out-of-state airport, which they have turned down in an effort to retain jobs in Central Oregon. Butler brings aircraft in from all parts of the United States for repairs. The City of Madras is coming up with almost \$600,000 for the project.

Prineville Railroad/Freight Depot: Dan Lovelady explained that the project is located adjacent to the old Pine Products Mill, three miles south of Prineville. He explained that during Connect Oregon I process, the City requested was for \$7 million for the freight depot project. At that time the City was asked to scale back the project due to limited funding. This request is to complete the project as proposed for Connect Oregon I. Dan announced that the first phase has been successful with 20 new

customers using the facility. The City of Prineville Railroad allows non-rail customers to utilize their warehouse for either rail to truck or truck to rail. He mentioned as a point of interest that one of the new customer's employees 130 people. This customer actually moved to Prineville because of the facility. There is also a bio-fuels company utilizing the facility. Dan said that this is an important project to Central Oregon because the region has been shut out by the large railroads as far as providing rail service to new customers.

Scott Cooper asked why the project did not receive a mark under criteria "D" (How much of the cost of a proposed transportation project can be borne by the applicant for the grant or loan from any source other than the multimodal transportation Fund). Jim Bryant answered that the application was not exactly clear on this point. Dan Lovelady responded that he did try to revise the application to reflect that they had over the 20% match, but the applications had been frozen and he could not make any changes.

Central Oregon Intermodal Transit Center: Heather Ornelas explained that a Central Oregon Intermodal Transit Center has been an ongoing goal for many groups as a means to improve public transportation in the region. The facility would be an opportunity to connect six different bus providers who run through Bend, and to connect their service to Amtrak, air service providers and shuttles. The main challenge is that providers do not connect at a convenient location to share their passengers. There is an opportunity to purchase the Cascade Natural Gas building, which is located adjacent to the Hawthorne Transit Station. Mike Schmidt offered his support by adding that a facility that will allow all of the providers to connect, purchase tickets, sell tickets and transfer adds to the mobility options for riders.

Chair Bellamy asked if this project might be a fit for the statewide fund. Dennis Luke noted that it would appear that there would be a case for statewide support with shuttles that go between Bend and Portland, over the Santiam and Willamette passes. Heather agreed that there is a statewide significance, though noted that there is also very strong competition for the \$50 million statewide funds. Gary Farnsworth added that the modal review committee ranked this as a "High" and third out of 13 transit projects statewide.

City of Bend Transit Stops: Nick Arnis explained that project entails improvements to 22 transit stops on the existing transit system in Bend. The funds will improve the transit system, and allow people to get to their jobs, homes and commercial areas. He noted that this would also promote regional tourism. Project activities include building shelters and completing ADA requirements.

Kah-Nee-Ta Resort and Mt Hood Meadows Ski Resort – Partnership for full Employment: Gary Farnsworth said that this project will provide a shuttle service to support 16 Warm Springs jobs at Kah Nee Ta Resort and the Mt. Hood Meadows Ski Resort. Chair Bellamy asked if this was funded at a reduced amount could some of their project be completed. The response was that of concern that there may not be a Connect Oregon III, and they would rather have the funds in full to be able to complete the project in full.

Mike Morgan stated concern about the Tier 3 ranking on the Heavy Aircraft and Engine Maintenance Facility project. He said that he believed that when the City of Madras presented to the Aviation Modal Committee, the Committee thought the project met all five criteria and provided a Tier 1 recommendation. Gary Farnsworth explained that the ODOT planning staff developed this first draft of tiering and ranking as recommendations for the Region Review Committee, and that the committee

will have the opportunity to make changes. COACT can provide direct input, and can provide “X’s” in the criteria columns contingent upon justification based upon the project application.

Chair Bellamy offered his compliments to all of the applicants and relayed to the group. He said that COACT can prioritize project further, but his recommendation was not to prioritize further. He and Scott Cooper have sufficient information to present the projects at the upcoming Regional Review Committee meeting. He asked those applicants that did not receive marks within each of the criteria that if they disagree with the outcome, they need to provide the justification before the April 1 Regional Review Committee meeting. Bill Friedman said that the best results have come from sending our negotiators out with lot flexibility and recommended not tying their hands with specific priorities. Scott Cooper requested that ODOT staff further explore where some of the other projects on the list are in their readiness to proceed.

Rail Planning Update

Gary Farnsworth explained that significant progress has been made on the rail plan. A consultant from David Evans and Associates is in the process of putting together some construction estimates to assist in answering questions regarding the realignment. Meetings have also been set up with the BLM and USFS to review possible rail alignments.

Gary said that the City of Redmond is assisting with the process of submitting a grant application to the Department of Land Conservation and Development on behalf of COACT. The application requests \$40,000 to conduct a market analysis which will identify how to move freight onto rail. This effort would need to be tied to the development of an intermodal site – options for siting include Deschutes Junction, Department of State Lands property south of Redmond, and O-Neil Junction.

He said that BNSF expects that there will be a point in time where they will end up with double track on the entire Central Oregon route. Even though this is about 30 -50 years out, this adds a completely new dynamic to our regional plans. Bill Friedman said that this is the first instance where we may have leverage with the railroad; that this might add some consideration from BSNF on eliminating crossings or with the proposed realignment. Dennis Luke questioned the amount of leverage we would have, since BNSF already has sufficient right-of-way for their expansion.

Regional Public Transportation Working Group Update

Scott Aycock provided an update on the activities of the Regional Public Transportation Working Group, recently named the TranSolutions Team. This team was established as a sub-committee of the COIC Board, with three goals:

1. to identify goals to build on and coordinate existing transportation resources.
2. to capitalize on immediate opportunities to expand region public transportation.
3. to develop a long-term approach to addressing regional public transportation needs.

Scott explained that the group held their first meeting on January 10, 2008. He said that the team is considering expansion, and that he has been asked by the team to contact local leaders to solicit possible additions to the team. The team has identified initial priorities, which are consistent with the Deschutes County Transportation Coordination project priorities: to stabilize and improve service on the Highway 97 corridor. The team is working on several initiatives:

- Working with BAT and Mt. Bachelor to explore opportunities to partner on transportation to the ski resort;

- Connecting COIC and Central Cascades Lines – COIC will provide service riders that cannot get from their homes to the Central Cascades pick-up spots in La Pine and Wickiup;
- Expanding services - COIC is piloting a one round trip per day from Prineville and Madras to Redmond and Bend. The service is provided from Sisters to Redmond to Bend on a weekly basis;
- Coordinating with Cascade Healthcare to explore options for investment in the public transportation system as a means to reduce parking costs.

Scott Aycock also mentioned that a proposal has been prepared and submitted to ODOT Public Transit Division to increase service hours and service days to the existing Dial-A-Rides in all communities (except for Bend), and to open the system to general public riders. The team has also begun discussions on the need for park-and-rides improvements around the region.

Dennis Luke asked if COIC provided support for the Intermodal Transfer Center Connect Oregon II project. Scott answered that COIC is very much in support of the project and of a Regional Center, and has written a letter of support for the City of Bend.

Draft Earmark Policy

Mr. Travis Brouwer, ODOT Federal Affairs Advisor, joined the meeting by phone. Travis provided an update on the Draft Earmark Policy, explaining that the policy is tied to re-authorization of SAFETEA-LU, as opposed to annual appropriations. He said that there are \$327 million in highway-specific project needs – a lot more than the STIP Modernization program has available. SAFETEA-LU was the high water mark for earmarks - \$174 million for Oregon. The OTC would like to advance the most widely supported projects to the congressional delegation – projects that are ready to proceed. For projects outside the list, ODOT will not guarantee match. The OTC intends to have Area Commissions on Transportation and other advisory bodies recommend the most appropriate and highest priority projects to request earmarks for in the reauthorization bill. In doing so, the OTC hopes to focus earmark funding on transportation projects that have been identified as regional and statewide priorities and that are strategic investments in Oregon's transportation system. The OTC also anticipates that this process will improve communication between ODOT and local agencies.

Travis Brouwer said that comments on the policy should be submitted by the beginning of next month. ACTs will be asked to develop earmark priorities over the summer. He stressed that nothing in the policy would prevent anyone from requesting earmarks directly; this policy sets out roles and a process for projects that ODOT will advance. Dennis Luke said that the state did well with the last federal bill because Congressman DeFazio was on the committee, and he speculated that the state would not fare as well this time. Travis said that Congressman DeFazio is now the chair of the committee, so the state may do better.

Alan Unger asked if the congressional delegation likes this approach rather than individual discussions. Travis Brouwer answered that there have been no objections voiced by the delegation. Eileen Stein asked how the Eugene area's unified list has worked out. Travis said that it has been successful, but that the agencies have the ability to opt out. Travis closed by encouraging comments – either by letter to the OTC or by contacting Travis directly. Dennis Luke said that the region's bargaining position could be improved with broad support of a list of projects.

2010-13 Statewide Transportation Improvement Program (STIP) Process

Gary Farnsworth explained that the 2008-11 STIP has been adopted. It is now time to begin working on the 2010-13 STIP. Additional related work will be required as directed by Senate Bill 566, which directs ODOT to develop project lists for scenarios where new funding would be generated. He said that Region 4 Staff has put together a list as a starting point – attachment D. Gary reviewed the draft project list and funding scenarios, and mentioned that today was just an opportunity to present the list and did not need any action at this time. He said that the goal is to get a draft list developed by the May/June timeframe.

Eileen Stein asked for a more detailed process description. Bob Bryant said that recommendations need to go to the OTC in June, and that this should be brought back to COACT in May. Gary proposed that the TAC be convened to refine the list and develop recommendations. Lynn Lundquist asked if the projects that were removed from the STIP during the cutback should be added back. Chair Bellamy encouraged the group to forward any additional projects to Gary Farnsworth.

Lynn Lundquist said that planning is under way for a Powell Butte bypass. This would provide a better option for a route to Bend. He said that this is a commuter issue, and that there are destination resort impacts. He said that they will be meeting with the BLM to review options.

Meeting adjourned at 5:00.