

Senate Interim Committee on Business and Transportation

Wednesday, May 28, 2014

State Capitol, Salem, Oregon

Members Present: Sen. Lee Beyer, Chair; Sen. Chris Edwards, Sen. Fred Girod, Sen. Rod Monroe, Sen. Chuck Thomsen

Members Excused: Sen. Bruce Starr

Update from Oregon Transportation Forum

Craig Campbell, Oregon Transportation Forum President, provided a brief history of the Oregon Transportation Forum, which was originally known as the Oregon Highway Users Alliance prior to efforts to develop the Jobs and Transportation Act (House Bill 2001, 2009). Following that effort, the Oregon Transportation Forum broadened its scope to include multimodal transportation needs, business interests and land use advocates. The OTF is a private, nonprofit entity whose purpose is to encourage full maintenance of the transportation system.

The OTF is currently working on developing a proposal for a transportation funding and policy package for consideration during the 2015 Session. Staff for Governor Kitzhaber has also indicated an inclination to develop similar proposals. While the effort will be to develop a series of proposals for consideration during the next several legislative sessions, efforts are focused primarily on 2015. To develop the proposal, the OTF has created four sub-groups:

Fix-It Subgroup – charged with considering how to sustainably maintain the current transportation system and how to provide sustainable moneys for transit and passenger rail operations

Enhance Subgroup – charged with considering how to improve methods by which the capacity of the highway system can be increased, as well as how to improve the intermodal connections between highways, rail, transit and air options

Innovation Subgroup – charged with considering alternative ways to fund and govern all modes of the transportation system in order to improve efficiency, improve the purchasing power of dollars allocated to transportation projects, and eventually replace the current motor fuel tax

Strategy Subgroup – charged with building legislative and public support for proposals

Proposals and concepts being discussed by the subgroups include:

- instituting a five-cent gas tax increase and splitting proceeds between the State Highway Fund and a grant program for enhancement projects at the local level
- dedicating a percentage of lottery revenues to non-highway transportation modes
- indexing funding sources (gas tax, registration fees, title fees) to construction costs or to vehicle fuel efficiency
- transitioning to other models (vehicle mile traveled fee, efficient fee, carbon tax)
- requesting funding for a comprehensive transportation needs analysis
- consolidation of special needs transit services currently provided by multiple entities
- scenario planning for greenhouse gas reduction

Committee questions and comments for this panel included: level of interest among legislators not on transportation committees; whether the distribution of gas tax revenues to state/county/cities could be readjusted to make it more equitable for cities; information resources for a comprehensive needs analysis; the number of vehicles allowed in the upcoming vehicle-miles-traveled pilot project; and the importance of legislative participation in OTF meetings.

Oregon Department of Transportation Major Projects Update

Paul Mather, Highway Division Manager for the Oregon Department of Transportation (ODOT), provided a briefing on current projections for long-term transportation funding, both at the state and federal level. With much of the state's current revenue stream dedicated to bond service for bridge projects from the 2003 Oregon Transportation Investment Act (OTIA) and from the 2009 Jobs and Transportation Act (JTA). In addition, federal funding for transportation in Oregon is uncertain, as the Federal Highway Trust Fund will fall into negative territory in September 2014; absent affirmative action by Congress, this could result in a 30 percent reduction in federal transportation funds coming to Oregon.

Mr. Mather then provided [updates](#) on several major transportation projects, including:

- Interstate 84 landslide repair west of Hood River
- Interstate 84 bridge near Troutdale (last bridge of the OTIA program)
- State Highway 212 – Sunrise Corridor
- U.S. 26 at Shute Road
- State Highway 99 – Newberg-Dundee bypass
- Interstate 5 – Woodburn interchange
- U.S. 20 at Pioneer Mountain/Eddyville
- Interstate 5 at Eugene – Beltline
- U.S. 20 at Sisters – Cascade improvements
- U.S. 97 at Bend – Murphy Road
- Interstate 5 at Phoenix – Fern Valley interchange

Mr. Mather also showed a short video clip explaining the importance of highway work zone safety.

Update from Landscape Contractors Work Group

Sen. Chuck Thomsen, chair of the work group, provided committee members with a brief update on the three meetings that have occurred to date. He anticipates that a legislative concept agreed to by all parties will be brought forward for consideration during the 2015 Session.

Oregon Resiliency Plan Report

Jeff Rubin, Emergency Manager for Tualatin Valley Fire and Rescue and also Vice-Chair of the Oregon Resiliency Task Force, provided an update on the activities of the Task Force, which has met monthly since November 2013. The Task Force's final report is scheduled for November.

Bruce Johnson, ODOT's Bridge Program Manager, offered a slide [presentation](#) reviewing seismic upgrade plans for Oregon bridges. The first seismic retrofit was to the Interstate 5

Marquam bridge in Portland. Retrofits can prevent immediate loss of life during an earthquake by preventing collapse of the bridge structure (“life-safety”), and can help prevent secondary loss of life by allowing the road to be passable for evacuation and for moving of supplies and emergency responders (“serviceability”). He provided a series of photos demonstrating the type of upgrades to bridge structures that can provide both types of seismic safety. He noted that the Resiliency Task Force will take into account landslide risk and tsunami risk. Finally, he spoke about efforts to ensure rail, marine and air access to Oregon following a Cascadia subduction zone earthquake, and outlined the bridges most likely to collapse or be impassable following a 9.0 earthquake.

Committee questions and comments for this panel included: the maximum anticipated size of tsunami that could result from a Cascadia earthquake; the magnitude of the earthquake planned for in the Resiliency Plan; the difference between the scale used to measure earthquake magnitude at its source (the Richter Scale) versus shaking intensity at locations away from the epicenter (the Mercalli Scale); how earthquake impact can be measured for those with epicenters 200 miles offshore; the level of coordination with the federal government; north-south damage zone of a Cascadia earthquake; and whether a tsunami could cause a surge up the Columbia River sufficient to reach Portland.

Paul Mather, ODOT’s Highway Division Administrator, [reviewed](#) the potential economic impact of a 9.0 Cascadia earthquake, estimated at \$350 billion loss to gross state product over an 8-10 year period, with the additional impact of many Oregon businesses permanently relocating out of state. Both Japan and Chile were better prepared for their recent earthquake and tsunami events than Oregon is currently prepared, thus the economic impact of a major earthquake here would be more severe. The estimated cost of preparing for such an event can be outlined in three tiers of preparedness (focusing on bridge retrofits and landslide mitigation):

- Survivability - \$900 million; this level of preparedness would reduce the economic impact of a Cascadia earthquake by an estimated \$35 billion
- Life Support - \$600 million
- Economic Recovery - \$300 million; completion of both life support and economic recovery preparedness would reduce the economic impact by an estimated \$87 billion

Mr. Mather concluded his remarks by noting that ODOT has planning prepared for shelf-ready mitigation projects within the survivability tier. He also noted that Oregon has spent \$44 million thus far on mitigation, compared to \$177 million spent by Washington and \$13 billion spent by California. The \$1.8 billion required to achieve all three levels of preparedness represent a 46:1 benefit to cost ratio, given the estimated \$87 billion reduction in negative economic impact.

Committee questions and comments for Mr. Mather included: the likelihood of a Cascadia Subduction Zone earthquake occurring during the next 50 years; how much effort has been made to educate the public to the risk; and the need for policymakers and the public to understand the risk.