

SENATE COMMITTEE ON TRANSPORTATION

April 1, 2005
1:30 P.M.

Dundee City Hall
Council Chambers
620 SW 5th Street
Dundee, OR
Tapes 42 - 45

MEMBERS PRESENT: **Sen. Joanne Verger, Chair**
 Sen. Doug Whitsett, Vice-Chair
 Sen. Floyd Prozanski
 Sen. Bruce Starr

GUEST MEMBERS: **Sen. Gary George**
 Rep. Donna Nelson
 Rep. Kim Thatcher

MEMBER EXCUSED: **Sen. Rick Metsger**

STAFF PRESENT: **Judith Callens, Committee Administrator**
 James Goulding, Committee Assistant

MEASURES/ISSUES HEARD:
 SB 865 – Public Hearing
 SB 2115 – Public Hearing and Work Session
 SB 2116 – Public Hearing
 Informational Meeting – Dundee/Newberg Bypass Project Update

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

TAPE/#	Speaker	Comments
TAPE 42, A		
003	Chair Verger	Calls the meeting to order at 1:31 p.m. Makes opening remarks about meeting in Dundee. Opens a public hearing on SB 865.
<u>SB 865 – PUBLIC HEARING</u>		
030	Judith Callens	Committee Administrator. Describes the provisions of SB 865. Defers to Senator Bruce Starr to explain his proposed amendments.
037	Sen. B. Starr	Explains the proposed -1 amendments to SB 865 (EXHIBIT A). Presents written testimony of Charlie Tindall in support of SB 865 (EXHIBIT B) and a traffic planning map (EXHIBIT C).
100	Sen. B. Starr	Continues to testify in regards to SB 865 and its amendments.
135	Chair Verger	Asks if he has invited transportation personnel to speak on this subject.
140	Sen. B. Starr	Observes some individuals who are present to testify.
143	Chair Verger	Notes the presence of Rep. Donna Nelson and Rep. Kim Thatcher.
153	Bruce Warner	Director, Oregon Department of Transportation (ODOT). Presents written testimony in favor of SB 865 (EXHIBIT D).
200	Warner	Notes he hasn't had much time to consider the -1 amendments

221	Chair Verger	but observes they add some additional clarity to the legislation.
230	Sen. Whitsett	Considers that he check for duplication of services by ODOT.
		Observes that they need to learn from lessons in the past and not repeat mistakes.
240	Warner	Concurs. Discusses the need of focusing on the future using prior knowledge.
269	Bob Russell	Oregon Trucking Association. Submits written testimony in favor of SB 865 (EXHIBIT E).
285	Sorin Garber	Sorin Garber Consulting Group. Presents written testimony in support of SB 865 with some recommendations (EXHIBIT F).
320	Garber	Discusses logistics of shipping in the modern marketplace.
350	Garber	Talks about the relationship between investing in transportation infrastructure and economic growth.
380	Chair Verger	Considers the points Mr. Garber is making.
387	Tom Potiowsky	State Economist, Office of Economic Analysis. Testifies in regards to the Highway Cost Allocation Study, conducted by the office.
403	Chair Verger	Remarks that they just received their report.
TAPE 43, A		
005	Potiowsky	Informs that they are working on a fiscal impact statement for the study.
009	Chair Verger	Comments on the proposed estimates.
010	Potiowsky	Provides additional details of the study.
015	Sen. B. Starr	Regards the helpful nature of the independent data provided.
027	Ann Gardner	Schnitzer Investment Corp. Testifies in support of SB 865. Offers that an outside third party study would be valuable.
057	Chair Verger	Discusses the value of "Connect Oregon" program.
065	Donald Alexander	Citizen of Newberg. Testifies in support of SB 865.
075	Allen Holstein	Granville Winery. Notes he is present for the informational hearing. Voices his support for the Newberg/Dundee bypass.
080	Chair Verger	Closes public hearing on SB 865. Opens a public hearing on HB 2115.

HB 2115 – PUBLIC HEARING

085	Callens	Explains the provisions of HB 2115 and the proposed -A2 amendment (EXHIBIT G).
110	Chair Verger	Comments on the measure.
115	John Jackley	Presents written testimony in favor of HB 2115 (EXHIBIT H). Favors the -A2 amendments, noting the correction made to the language in the bill.
155	Chair Verger	Discusses the Coos Bay meeting and the facility they visited.
160	Jackley	States they are conforming with state requirements.
165	Sen. B. Starr	Asks about the decision making process.
167	Jackley	Replies that the commission approves the decisions.
169	Sen. B. Starr	Observes it doesn't affect ODOT's ongoing budget.
171	Jackley	States they are not allowed to take a loss on the project.
173	Sen. Whitsett	Considers the trading of property.
177	Jackley	Replies the additional money would go back into the highway fund.
180	Chair Verger	Closes public hearing on HB 2115. Opens a work session on HB 2115.

HB 2115 – WORK SESSION

185	Sen. Whitsett	MOTION: Moves to ADOPT HB 2115-A2 amendments dated 3/31/05.
187		VOTE: 4-0-1

EXCUSED: 1 – Metsger
Hearing no objection, declares the motion CARRIED.
MOTION: Moves HB 2115 to the floor with a DO PASS AS AMENDED recommendation.

191 Chair Verger
 Sen. Whitsett

195 **VOTE: 4-0-1**
EXCUSED: 1 – Metsger
Hearing no objection, declares the motion CARRIED.
SEN. WHITSETT will lead discussion on the floor.

205 Chair Verger
 Closes work session on HB 2115. Opens a public hearing on HB 2116.

HB 2116 – PUBLIC HEARING

210 Callens
 Explains the provisions of HB 2116.

221 Jackley
 Submits written testimony in favor of HB 2116 (**EXHIBIT I**).
 Offers further explanation of the measure.

249 Chair Verger
 Notes her initial confusion on why this bill was needed.
 Appreciates the explanation.

257 Jackley
 Mentions the unintended consequences of HB 2661 from the previous legislative session. Notes how HB 2116 would clear up the problem.

275 Chair Verger
 Closes public hearing on HB 2116. Opens an informational hearing on the Dundee/Newberg Bypass Project Update.

INFORMATIONAL HEARING – DUNDEE/NEWBERG BYPASS PROJECT UPDATE

290 Diane Ragsdale
 Mayor of Dundee. Greets the committee.

295 Chair Verger
 Introduces the mayor.

310 Ragsdale
 Notes that many individuals wish to comment on the bypass.
 Gives a handout on the bypass vision (**EXHIBIT J**).

337 Ragsdale
 Introduces the Dundee city officials present. Defers to local representatives who are present to testify, introducing them.

375 Jeff Dyck
 Cascade Steel Rolling Mills, McMinnville. Testifies on the operations of his company. Comments on the road and rail infrastructure he relies upon.

407 Chair Verger
 Notes the goal is to improve the economy.

417 Brent Adams
 Chair, McMinnville Chamber of Commerce. Supports the bypass. Feels it crucial to the development of McMinnville.

TAPE 42, B

010 Adams
 Comments on the varying travel time it takes to reach Portland for the medical treatment he needs.

017 Jeff Palmer
 President, Chehalem Valley Chamber of Commerce and Rex Hill Vineyards. Discusses his reasons for moving to Oregon and all it has to offer. Adds his support for the need for a traffic bypass.

045 Chair Verger
 Comments on the presence of Paul Warner of ODOT. Relates she is glad he is here to listen to the testimony.

053 Rollin Soles
 Argyle Winery. Introduces himself.

055 Sen. Prozanski
 Notes the acclaim of Mr. Soles' winery.

061 Soles
 Comments on the high quality of life in his county. Notes how easy it is to travel into and out of Portland, but the difficulty of getting people to visit wine country.

090 Soles
 Discusses the need for a balance between business and residential. Talks about the terrible traffic problems that limit freight options. Points out that very few businesses could make it as things stand now.

120 Nancy Ponzi
 Dundee Bistro, Owner. Relates her experiences in the wine business and the growth of Dundee.

125	Sen. Prozanski	Relates the factors that draw businesses to Oregon.
130	Ponzi	Outlines the shift in their business focus to Dundee despite the difficulties. Notes the reluctance to invest money in Dundee businesses due to the traffic situation.
167	Wayne Stocks	City Council Member, McMinnville. Concurs with previous comments.
200	Stocks	Discusses the comments from his community over the gridlock they are suffering as a result of traffic.
243	Chair Verger	Wonders when the major problems with gridlock started to occur.
247	Stocks	Observes that it first started about 10 years ago, but has become especially bad in the last 4 to 5 years.
272	Chair Verger	Notes that aside from the traffic issues McMinnville is a great community.
285	Ragsdale	Outlines the next part of their presentation. Introduces Mr. Worrall.
320	Roger Worrall	Former mayor of Dundee. Presents his written testimony in favor of the bypass (EXHIBIT K).
370	Worrall	Provides a history of the Dundee bypass proposal.
TAPE 43, B		
005	Worrall	Continues his presentation.
011	Chair Verger	Regards the efforts in Coos Bay to build a bypass and the protests involved. Describes ODOT's challenge of working with the unique wishes of each community.
023	Worrall	Offers that the bottom line is they want to get their town back.
033	Chair Verger	Asks about the origins of the name Dundee.
037	Worrall	Comments that the founder of Dundee came from Scotland.
039	Sen. Whitsett	Asks about the date of the meeting that drew 400 people.
043	Worrall	Replies that it was in March or April of 2001.
050	Ken Austin	Owner, Austin Dental Equipment Company, former Newberg city council member. Begins offering a comprehensive history of the development of Dundee and Newberg.
090	Austin	Talks about the history of the bypass problem.
126	David Haugeberg	Chair, Yamhill County Parkway Committee. Offers additional testimony on the prior history and discussion of a bypass. Notes Newberg and Dundee are drowning in traffic.
160	Haugeberg	Describes the formation and history of the parkway committee and the traffic design proposals.
193	Chair Verger	Observes that sometimes the discussion of the common good is lost.
198	Haugeberg	Continues discussing the process. Details the Policy Oversight Steering Team (POST).
230	Haugeberg	Discusses the fund raising that helped start the project in motion.
260	Sen. Whitsett	Observes that this process started 33 years ago. Wonders what is holding the process up.
270	Austin	States traffic design considerations have been proposed for over 50 years.
300	Austin	Notes the very strong conservative nature of Newberg and the reluctance to expand the city. Talks about the barriers they faced when setting up their business. Feels that opinions have changed recently.
340	Chair Verger	Appreciates the efforts of the Austin family.
350	Ragsdale	Introduces the next segment of testimony and Ms. Lewis
379	Leslie Lewis	Yamhill County Commissioner. Details the reasons why the

bypass project hasn't moved forward. Welcomes Senator Gary George, who has just arrived.

TAPE 44, A

010	Lewis	Continues to testify in relation to previous legislative actions.
040	Lewis	Describes the attempts to fund the project with tolls.
070	Lewis	Talks about not receiving the needed funds from the Oregon Transportation Investment Act (OTIA).
087	Chair Verger	Wonders if they thought the toll would be enough to pay for the project.
089	Lewis	Relates that their estimates were conservative and that they knew they would need both public and private funds.
107	Mike Sherwood	Chair, Dundee Planning Commission. Details the development of their vision statement for the city. Provides an overview of transportation studies they have held and a planning map they have developed.
157	Bob Stewart	Mayor, City of Newberg. Endorses the phasing of the program. Relays the concerns of the community. Talks about the impact of large volumes of vehicles passing through the city.
185	Sen. B. Starr	References a similar situation with large trucks passing through Redmond, Oregon.
195	Stewart	Discusses the use of alternative roads in an attempt to get around Dundee causing high traffic loads in unintended areas.
240	Stewart	Talks about their city transportation plans.
281	Chair Verger	Asks if the city plans are connected to the bypass plans.
287	Stewart	Affirms they are connected. Further details their cooperation.
315	Chair Verger	Observes the bypass is not just moving traffic, but economic development as well.
323	Sen. B. Starr	Asks if they have the resources for such an ambitious project.
325	Stewart	Replies it is a 20 year project and that they will need partnerships to accomplish it.
352	Rep. Nelson	Notes she has to depart shortly. Discusses 2001 legislative efforts to finance transportation improvements.
361	Sen. B. Starr	Details the funding made available.
364	Rep. Nelson	Comments on the legislative intent of their proposals. Grapples with her frustration in moving this project forward.
390	Sen. B. Starr	Points out the passage of OTIA III to address bridges and highways.
393	Rep. Nelson	Considers the division and distribution of the funds.

TAPE 45, A

003	Rep. Nelson	Expounds upon the need to move freight and allowing access to the state's top tourist attractions.
015	Chair Verger	Hopes to find out why it is being held up.
023	Rep. Nelson	Reiterates the efforts that have gone into this project.
027	Mike Ragsdale	Chair, Citizen Task Force. Details the plans for future development of Dundee.
097	Chair Verger	Appreciates his efforts. Recalls her experiences as mayor of Coos Bay. Feels that ODOT's primary mission is to move traffic.
107	Mike Ragsdale	Replies that with the bypass in place, reduced traffic will make 99W a true "main street" for Dundee.
119	Chair Verger	Asks for clarification on the change to 99W.
123	Mike Ragsdale	Recognizes that with the bypass in place they may change the designation of 99W from a highway to a main street.
125	Chair Verger	Offers that they have made similar changes before with great

		success.
130	Mike Ragsdale	Compliments the recent cooperation with ODOT.
143	Bruce Warner	Director, ODOT. States the department is trying to move this project forward. Details that the design of this project should begin this summer.
159	Chair Verger	Asks about financing possibilities.
161	Warner	Notes financing and the approach to the project. Comments on OTIA I and II phases. Discusses the OTIA III bridge studies and the use of funds that could be moved to the bypass project. Notes they are only one year into the eight year bridge program.
195	Chair Verger	Elaborates on the statewide impact of this project.
197	Warner	Restates the need for funding on bridges, but replies it will be up to the legislature.
211	Chair Verger	Feels there should be some criteria for determining the most needed traffic projects.
233	Sen. B. Starr	Praises the consistency of Mr. Warner's work. Comments on the spending of excess revenues.
257	Chair Verger	Observes the importance of legislative members visiting various regions of Oregon firsthand.
261	Rep. Nelson	Thanks Mr. Warner for his assistance. Notes her appreciation for the committee's work.
275	Sen. B. Starr	Asks Mr. Warner about a proposal to use federal funds.
296	Warner	Answers that he is correct. Refers to congressional efforts making additional resources available.
315	Chair Verger	Wonders about the potential use of tolls.
317	Warner	States they are still being considered.
327	Lewis	Begins a conclusion of their presentation with the public and private funding options.
370	Lewis	Talks about the projects available for private sector investment. Discusses the number of finance proposals regarding the Newberg/Dundee bypass.
TAPE 44, B		
005	Lewis	Continues discussing the design phase of the project.
006	Chair Verger	Asks who is preparing the Environmental Impact Statement (EIS).
007	Lewis	Replies. Discusses the EIS process. Talks about all the projects competing for funding.
050	Chair Verger	Feels the process is wonderful in coming up with ideas that ultimately don't have any funding.
056	Lewis	Comments on the difficulty in moving this forward and the critical infrastructure needs.
069	Chair Verger	Notes the difficulty of relying on state income tax for funding.
073	Lewis	Concludes her testimony.
075	Sen. B. Starr	Thanks her for the testimony. Points out the need for local advocacy to make sure if additional funding comes from congress that they highlight the need for modernization.
099	Lewis	Relays her commitment to move this forward.
115	Chair Verger	Discusses the efficiency of placing legislative members engaged in policy into the ways and means process.
121	Haugeberg	Summarizes the presentation. Showcases support of the numerous people in favor of this project. Presents the committee with jars of "Traffic Jam".
155	Ragsdale	Thanks them for their visit.
165	Chair Verger	Thanks Mayor Ragsdale. Voices her appreciation for being able

193	Chair Verger	to bring the process to the people.
207	Lewis	Observes the need to prioritize the state's problems. Notes the legislative support from Sen. George and Rep. Thatcher.
219	Rep. Thatcher	Emphasizes that changes have to be made to take advantage of the assets available in this region of Oregon. Asks if they had the money, is there anything else that would be a barrier to this project.
252	Lewis	Notes the Land Use System could be a risk to this project.
289	Haugeberg	Makes additional comments.
313	Sen. Gary George	Senate District 12. Notes the need for a more efficient tax structure. Talks about infrastructure development he observed in Alaska.
345	Sen. Whitsett	Comments on his rural background and the importance of hearing from small communities like Dundee.
The following material is submitted for the record without public testimony:		
	Jim Morrison	Submits written testimony for the record (EXHIBIT L).
	Donnald Alexander	Submits written testimony for the record (EXHIBIT M).
	Merilyn Reeves	Submits written testimony for the record (EXHIBIT N).
377	Chair Verger	Voices her hope for policies that support the beauty of their environment. Thanks them all. Closes the informational meeting, and reopens the public hearing on SB 865 to allow one more person to testify.

SB 865 – PUBLIC HEARING
TAPE 45, B

007	Rod Park	Councilor, Portland Metro. Voices his concerns with SB 865 as written.
045	Park	Talks about examining previous transportation related decision making.
095	Park	Offers that the private sector is realizing the opportunity of investing in transportation related projects.
112	Chair Verger	Asks that he send them copies of his testimony. Wonders about his position on the width of bill.
120	Park	Clarifies his thoughts.
131	Sen. B. Starr	Inquires about the 60% figure.
135	Park	Replies it refers to the federal and state funds going into transportation.
137	Sen. B. Starr	Appreciates the figures he has provided. Wonder about the percentages of federal “flexible” funds.
147	Park	Reiterates the 60% figure.
161	Sen. B. Starr	Points out that they don't have a huge say on transportation projects funded through the State Transportation Improvement Program (STIP).
165	Park	Notes there is mutual approval of projects.
173	Sen. B. Starr	Appreciates his testimony and his perspective on this issue. Suggests that they need to look back and well and looking forward in the planning process.
199	Sen. Whitsett	Concurs with Sen. Starr's comments. Wonders how much the movement of freight and people coincide with the 60% investment as opposed to the 40%.
210	Park	Responds.
240	Chair Verger	Voices her concerns of duplicating processes.
245	Park	Replies it is purely an economic study.

EXHIBIT SUMMARY

- A. **SB 865, -1 amendments, staff, 2 pp**
- B. **SB 865, Written testimony of Charlie Tindall, Sen. Bruce Starr, 2 p**
- C. **SB 865, Traffic Map, Sen. Bruce Starr, 1 p**
- D. **SB 865, Written testimony, Bruce Warner, 4 pp**
- E. **SB 865, Written testimony, Bob Russell, 1 p**
- F. **SB 865, Written testimony, Sorin Garber, 2 pp**
- G. **HB 2115, -A2 amendments, staff, 1 p**
- H. **HB 2115, Written testimony, John Jackley, 1 p**
- I. **HB 2116, Written testimony, John Jackley, 2 p**
- J. **Dundee/Newburg Bypass, handout, Diane Ragsdale, 1 p**
- K. **Dundee/Newburg Bypass, Written testimony, Roger Worrall 1 p**
- L. **Dundee/Newburg Bypass, Written testimony, Jim Morrison, 1 p**
- M. **Dundee/Newburg Bypass, Written testimony, Donald Alexander, 1 p**
- N. **Dundee/Newburg Bypass, Written testimony, Marilyn Reeves 1 p**