

## HOUSE COMMITTEE ON TRANSPORTATION

February 19, 1999 Hearing Room D

8:30 a.m. Tapes 28 - 29

**MEMBERS PRESENT:** Rep. Bob Montgomery, Chair

Rep. Mike Lehman, Vice-Chair

Rep. Richard Devlin

Rep. Jim Hill

Rep. Jeff Kropf

Rep. Jerry Krummel

Rep. Jane Lokan

Rep. Jackie Taylor

Rep. Vicki Walker

Rep. Larry Wells

**STAFF PRESENT:** Janet Adkins, Administrator

Brad Daniels, Administrative Support

**MEASURE/ISSUES HEARD:** Informational hearing on the ODOT Efficiency Committee Report

HB 2200 Public Hearing

HB 2198 Public Hearing

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 28, A		

004	Chair Montgomery	Opens the meeting at 8:35 a.m.
015	Pete Naumes	Oregon Department of Transportation (ODOT) Efficiency Committee. Describes the formation, actions and independence of the Efficiency Committee <b>(EXHIBIT A &amp; B)</b> .
030	Chair Montgomery	Introduces Nabil Isifan and Hussam Mahmoud Khader, two observers from the Palestinian Legislative Council.
034	Naumes	Outlines the recommendations of the Efficiency Committee, which consisted of 25 members. Explains that he discovered no problem(s) with ODOT that could be construed as a "smoking gun." Discusses two priorities: developing a true product cost initiative and a zero-based budget concept. Explains the benefit of a zero-based budget and the current problems with maintenance budgeting.
080	Naumes	<p>Discusses the major recommendations of the Efficiency Committee:</p> <ul style="list-style-type: none"> <li>• Place more accountability, responsibility and personnel with decision making power in the departmental regions rather than in Salem.</li> <li>• Enact a "cradle-to-grave" project approach to improve consistency and create a sense of ownership for personnel.</li> <li>• Encourage a higher level of design work at the time projects go to bid.</li> <li>• Address the high-cost relationship with the federal government on environmental concerns.</li> </ul> <p>Notes the dramatic improvement in the DMV. States that ODOT should research privatizing the DMV.</p>
140	Alan Eberlein	ODOT Efficiency Committee. Notes that he was critical of ODOT and Director Grace Crunican in the past. Commends ODOT's openness.
168	Rep. Lehman	Asks Eberlein if he wrote a minority report.
174	Eberlein	Replies that the references to a minority report are out of context. Explains that his written recommendations to the drafting subcommittee were intended to focus them on possible solutions. Adds that these recommendations were never intended for any other purpose or to be classified as a minority report.
194	Rep. Lehman	Asks about ODOT's attention to safety.
201	Naumes	Disagrees with any suggestion that ODOT has not paid enough attention to safety.
209	Chair Montgomery	Comments on possible confusion over the definition of safety.
218	Eberlein	Notes that the Efficiency Committee focused on ODOT's actions and not policy.

225	Rep. Lehman	Asks if the Efficiency Committee members talked to a diverse group of employees.
230	Naumes	Describes how and where they visited ODOT facilities.
242	Eberlein	Adds that he staged independent interviews during which Crunican was not present and played no role.
248	Rep. Lehman	Asks if either witness has an opinion about the need for an additional funding increase.
250	Naumes	Supports a gas tax increase. Explains that the need for infrastructure improvement is severe.
265	Rep. Hill	Expresses concern about the lack of objective data and information systems to track ODOT's progress. Notes the lack of a per-project accounting. Asks if the Efficiency Committee examined how ODOT can achieve these goals.
295	Naumes	Explains that the committee would like to stay in place for at least the next year to continue tracking ODOT. Commends Mike Marsh, Executive Budget Director for ODOT.
311	Rep. Kropf	Asks Eberlein to expand on the topic of change orders.
320	Eberlein	Stresses the difficulty of obtaining an immediate decision from someone in the field and relates an example underlining this difficulty. Supports locating a person with decision-making authority on site.
367	Rep. Kropf	Asks about the effect of change orders on the relationship between contractors and ODOT.
375	Eberlein	Notes the contractors' problem with a lack of flexibility. States that some projects are not "build-able" when they go into the field.
396	Naumes	Indicates that change orders are not entirely bad, and a \$5000 change order is relatively insignificant in the context of a multi-million dollar project.
408	Eberlein	Explains that the change order authority needs to be expanded and placed with the project manager.
430	Rep. Kropf	Acknowledges the inefficiency of massive changes, but the necessity of enacting small changes.
444	Rep. Devlin	Calls attention to the diverse membership of the Efficiency Committee. Notes

		that design-build requirements are a controversial topic. Reiterates that ODOT is focused on safety.
<b>TAPE 29, A</b>		
048	Rep. Lokan	Asks if there should be more local control.
053	Naumes	Replies that he supports giving more control to ODOT regions.
054	Rep. Lokan	Asks how the local jurisdiction and ODOT would interact.
057	Naumes	Replies that the increased control of ODOT regional or district managers will provide for better relationships with local authorities.
065	Rep. Lokan	Asks if he means more inter-governmental relationships.
066	Naumes	Responds no. States that the recommendation was to center more authority and accountability in the ODOT regions.
069	Rep. Lokan	Comments that dollars must follow authority. Asks about the privatization of the DMV.
084	Naumes	Responds that the Efficiency Committee recommended an investigation of this option.
095	Chair Montgomery	Asks the committee to introduce themselves for the benefit of the visitors from Palestine.
181	Chair Montgomery	Opens the public hearing on HB 2200
<b><u>HB 2200 PUBLIC HEARING</u></b>		
185	Adkins	Explains HB 2200, which changes fines for parking violations in winter recreation parks and allows the Oregon Transportation Commission to establish fees for winter recreation parking permits.
215	Doug Tindall	Maintenance Engineer, ODOT. Describes the history of the seasonal permit cost and the reason for the proposed increase. Discusses the fee-setting process of the Winter Recreation Advisory Committee (WRAC) and why the fee should be set by rule. Outlines the fee amounts in different states. Describes the parking violation procedure. Notes the change in the statutory requirement for WRAC meetings ( <b>EXHIBIT C</b> ).

263	Rep. Walker	Asks who serves on the WRAC and what they discuss.
267	Tindall	Reviews the membership of the WRAC and their concerns.
287	Rep. Wells	Asks if ski areas bear any cost for maintaining their parking lots.
298	Tindall	Replies that ski areas designated as Sno-Parks have their snow removal paid for by the Sno-Park fund. Notes that the commercial ski areas generate enough revenue through Sno-Park permits to allow the smaller parks to remain plowed.
313	Rep. Wells	Asks if the ski areas cover their own costs in their parking lots.
320	Tindall	Responds that ODOT removes snow in areas designated as Sno-Parks.
330	Rep. Hill	Asks if a Sno-Park permit is required to park in the plowed lots. Asks if a Class D traffic infraction is reportable to an insurance company.
343	Tindall	Replies yes to the first question and expresses uncertainty about the second question.
345	Rep. Lokan	Expresses concern about establishing fees by rule. Asks if the fees should be capped.
350	Tindall	Replies that any fee established by rule is reviewed as part of the budget review process.
360	Rep. Lokan	Asks about fluctuations in the amount of money in the Sno-Park fund.
369	Tindall	Discusses the reason for these fluctuations, focusing on the overcharging of equipment rates. Mentions the amount of snow in the past two years as another effect on the fund.
420	Rep. Kropf	Asks if Tindall has the history of fee increases.
<b>TAPE 28, B</b>		
010	Tindall	Replies yes ( <b>EXHIBIT D</b> ).
015	Rep. Kropf	Asks if the fee increase will cover costs.
017	Tindall	Replies that the increase will cover costs in a relatively heavy snow year.

022	Rep. Kropf	Asks how many Sno-Park permits are issued per year.
025	Tindall	Responds that they issue 62,000 seasonal permits.
026	Rep. Kropf	Asks about the increases in daily permits.
033	Tindall	Lists the prices for the daily permits.
041	Rep. Lehman	Inquires if money is not raised for the Sno-Park fund would highway money be used to plow the Sno-Parks.
045	Tindall	Replies no. Indicates that, as it is unconstitutional to use highway funds, ODOT will have to work within the existing budget, resulting in a lower level of service.
050	Rep. Wells	Expresses concern about people who do not go to the mountains very often and the increased cost of daily permits.
060	Tindall	Notes that the increase has not been approved by the WRAC and the majority of issued permits are seasonal rather than daily.
070	Shirley Benson	Oregon State Snowmobile Association (OSSA). Describes her involvement in the Sno-Park system ( <b>EXHIBIT E</b> ).
084	Ken Haevernick	OSSA. Expresses concerns about HB 2200. Discusses the program to fund snow removal in heavy and light years. Explains the previous meeting schedule for the WRAC. Expresses concern about the new meeting schedule proposed in HB 2200. Expresses concern about proposed fee structure. Describes the history of Mount Bachelor's involvement in the Sno-Park system. Notes that the Sno-Park fund will be in trouble if the big lots discontinue their participation.
153	Roger Schmidt	President, OSSA. States that a cap on user fees is needed and should be about \$35. Stresses that the WRAC needs to meet four times per year. Discusses the need for a safety or back-up fund to accommodate heavy snow years such as this one.
206	Schmidt	States that the snow-park daily permit price is not high. Notes that the permit charge is not enough to cover increased usage.
236	Rep. Wells	Expresses a concern with requiring people to purchase a permit when they may not be aware of the requirement.
271	Chair Montgomery	Expresses concern about the excessiveness of the parking fine. Closes the public hearing on HB 2200. Opens the public hearing on HB 2198

**HB 2198 PUBLIC HEARING**

280	Adkins	Explains HB 2198, which would authorize road authorities to recover costs for damages after an accident. Introduces #1 amendment ( <b>EXHIBIT F</b> ).
300	Tindall	Describes the reason for HB 2198 and the bill's intent: to recover major clean-up and traffic control costs ( <b>EXHIBIT G</b> ).
329	Chair Montgomery	Asks why it takes so long to open a road after an accident.
334	Tindall	Responds that the amount of material on the freeway can be a problem and, if there is a fatality, the police will declare the road a crime scene.
351	Rep. Taylor	Asks about the designation of beaches as highways.
355	Tindall	Responds that the current clean-up in Coos Bay is federally funded.
390	Rep. Hill	Asks how ODOT would handle a traffic accident under HB 2198.
404	Tindall	Replies that the intention of HB 2198 would be to collect for relatively significant expenses.
416	Rep. Hill	Expresses concern about local jurisdictions converting to a fee-based system and treating relatively minor accidents as cost-recovery opportunities.
430	Tindall	Responds that he is willing to specify the language.
440	Rep. Devlin	Asks if a similar bill was introduced last session and what happened.
450	Tindall	Replies that this exact bill was introduced last session, passed the House and failed in the Senate.

**TAPE 29, B**

023	John Powell	State Farm Insurance. Opposes HB 2198 as drafted. Indicates that "road authority" is overly broad terminology. Expresses concern about the ability of government services to assign fault and to designate financial responsibility after accidents.
045	Craig Campbell	Triple A Oregon/Idaho. Expresses concern that fees like those in HB 2198 are not currently anticipated by existing insurance policies. Indicates his apprehension that some municipalities will view the bill as a revenue tool.

065	Steve Vincent	Avista Utilities Corporation. Opposes the use and vagueness of "incident" as possibly opening the door to charge utilities for engaging in normal right-of-way or street repair activities ( <b>EXHIBIT H</b> ).
075	Rep. Lehman	Asks if, under current law, cities and counties can collect franchise fees.
082	Vincent	Replies yes. Explains how these fees are collected.
088	Rep. Lehman	Asks if HB 2198 will affect the ability of cities and counties to recover costs from utilities.
093	Vincent	Replies that HB 2198 may provide for expenses related to traffic control.
099	Rep. Lehman	Asks if the concept of recovering costs for negligent conduct is a good one.
104	Campbell	Agrees with the intent of the bill and expresses willingness to work with ODOT on the bill's language.
107	Rep. Kropf	Relates an example that addresses accident fees. Asks how HB 2198 would change the liability issue in the example.
118	Powell	Notes the concern on the part of cities and counties that HB 2198 will affect their ordinance authority.
144	Chair Montgomery	States frustration with prolonged road closures after accidents. Adjourns meeting at 10:08 a.m.

Submitted By, Reviewed By,

Brad Daniels, Janet Adkins,

Administrative Support Administrator

#### **EXHIBIT SUMMARY**

**A ñODOT Efficiency Committee Report, Pete Naumes, 15 pp.**

**B ñWritten response to the Efficiency Committee Report, Grace Crunican, 7 pp.**



**C** ñHB 2200, written testimony, Doug Tindall, 1 p.

**D** ñHB 2200, Sno-Park permit history, Doug Tindall, 1 p.

**E** ñHB 2200, written testimony, Shirley Benson, 1 p.

**F** ñHB 2198, -1 amendments, staff, 1 p.

**G** ñHB 2198, written testimony, Doug Tindall, 1 p.

**H** ñHB 2198, written testimony, Steve Vincent, 1 p.