



Oregon

John Kitzhaber, Governor

Department of Transportation

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MEMORANDUM

DATE: January 25, 2011

TO: Region 2 Area Commissions on Transportation

FROM: Eryca McCartin, *Interim* Region 2 Manager

SUBJECT: Status of 2012-2015 STIP and HB 2001 funding

For those who have not heard, Jane Lee has been asked by ODOT Director Matthew Garrett to lead the Human Resource efforts for the department. This is an interim assignment and we expect Jane to come back and continue leading Region 2 again in the near future. In the meantime, I have been asked to serve as the Region 2 Manager on an interim basis. It is an honor for me to serve in this capacity and I look forward to working with all of you as we continue managing our transportation system.

Region 2, with the assistance of your commissions, has been working on the development of the 2012-2015 Statewide Transportation Improvement Program (STIP). This includes the work that each of your commissions did to update your modernization priorities. The purpose of this memo is to provide you with information on where we are in development of the next STIP, expected future actions, and additional information that will be presented to each ACT in the upcoming months.

Modernization Priorities

We appreciate the efforts your commissions have taken to update your modernization priorities based on the revised eligibility criteria and prioritization factors. These revisions were based on direction provided by the 2009 Legislature in HB 2001. As we indicated during that update process, we do not anticipate funding being available in the near future for any additional modernization projects. We have received your priority lists and will hold them for now. If modernization funding is made available, we will use the updated priorities and convene an 'All Area' meeting to determine what priorities to fund. No further action is required by your commissions at this time.

As part of the development of the 2012-2015 STIP, each commission will also be given the opportunity to review the priorities for the Bridge, Preservation, Safety and Operations programs within Region 2. This information will be shared in the next few

months, along with the comment period for the Draft 2012-2015 STIP which is planned for spring 2011.

HB 2001 Priority Projects

As we reviewed at the "All Area" meeting back in October 2009, HB 2001 established a list of priority projects for which funding was made available. Region 2 received funding for seven projects, totaling \$363 million. As you know, none of the projects is fully funded at this time. The Legislature established an expectation that funding shortfalls would be made up by federal earmarks and other sources. The unfunded total for the Region 2 projects is approximately \$85 million.

As we continue to track federal legislation regarding transportation funding, the provision of federal earmarks has become a major issue for Congress. We will continue to monitor the situation and report as we know more. We also expect to receive additional guidance from the 2011 Legislature on how to proceed with these priority projects.

Modernization Funding

As we indicated when the 2012-15 STIP update started, Region 2 has approximately \$21 million in unobligated modernization funding available. Given the timing of that funding availability, we decided (with the concurrence of your commissions) to hold that funding in reserve, given the uncertainty described above. We will continue to hold that funding, pending guidance from the 2011 Legislature on the funding shortfalls for the seven identified HB 2001 projects. As was discussed, another 'All Area' meeting will be held to allocate those funds, when the time comes.

Future Information

In the next few months, you will be presented with information regarding the condition of our transportation infrastructure throughout the state. Specific information will be shared about the condition of our roads and bridges. As more information is made available, we will continue to share this with you through your Area Manager.

I want to thank you for your continued support of Region 2 as we develop the next STIP and continue working with the funding that we have available. Please feel free to contact your respective Area Manager if you need additional information or you may contact me directly.

cc:

Larry McKinley

Tim Potter

Steve Cooley

Vivian Payne

Sonny Chickering

Mike Long

Mac Lynde