

HB 2017 Implementation Outline

July 20, 2017

Overview

ODOT's implementation of HB 2017 will proceed in seven major workstreams:

- Highway project selection and delivery
- Local and non-highway program management
- Public transportation
- Accountability, transparency, performance, and efficiency
- Value pricing planning and development
- Revenue collection
- Communications

ODOT will create an internal implementation team to manage efforts and work closely with the Commission, which will oversee implementation and will approve all major implementation activity.

Highway Project Selection and Delivery

HB 2017 significantly increases the funding available to highway projects on the state highway system.

Highway Project Selection

Bridge, pavement, safety and other projects for 2018-2021 will be added to the 2018-2021 STIP in fall 2017 so preliminary engineering work can begin on these projects. Projects will be generated by management systems by early August so they can be presented to the Commission and released for public review in August. The OTC will add projects to the 2018-2021 STIP in October. Projects will be incorporated in the 2021-2024 STIP through the normal selection process in 2018 and 2019.

Lead: Highway Division, Technical Services Branch

Project Delivery

ODOT has worked with its partners in the engineering community to develop a plan for delivery of projects. ODOT anticipates increasing the share of work that is outsourced to private engineering firms, but ODOT will also need to hire additional staff to oversee projects.

Lead: Highway Division: Technical Services Branch and regions; Transportation Development Division: Active Transportation Section

Local and Non-Highway Program Management

HB 2017 creates a permanent funding source for *ConnectOregon*, expands the Small Cities Program, and creates a new Safe Routes to School infrastructure program.

ConnectOregon

With ConnectOregon fully allocated to projects in the 2017-2019 biennium, work in the near future will focus on creating a framework for the Commission to evaluate and approve projects specifically named for funding. In the long term ODOT will need to update the rules and program guidance for ConnectOregon to reflect the significant changes made in the bill.

Lead: TDD: Freight Planning Section/Active Transportation Section

Safe Routes to School

To implement the new Safe Routes to School infrastructure program, within the next year ODOT anticipates developing an overall program strategy that covers both state and local project prioritization, developing program guidance and rules, creating a Local Agency Project Selection Committee, and releasing a project solicitation. This work will be carried out in consultation with the Transportation Safety Committee and Oregon Bicycle-Pedestrian Advisory Committee.

Lead: TDD: Active Transportation Section; Transportation Safety Division

Small Cities Program

ODOT will work with the League of Oregon Cities to stand up the expanded Small Cities program, including creating an advisory committee to select projects, developing a program framework, and releasing a project solicitation, so that funds can be awarded quickly.

Lead: TDD, Active Transportation Section

Public Transportation

HB 2017 creates a new Statewide Transportation Improvement Fund for public transportation, funded by over \$100 million annually from a statewide 0.1% payroll tax. Oregon Department of Revenue will start collecting the payroll tax on July 1, 2018, and the program becomes operative on January 1, 2019.

To implement this program ODOT will need to develop administrative rules and program requirements, hire new staff to oversee the program and a public transportation resource center for rural providers, develop the overall accountability and reporting framework for providers, and issue a grant solicitation.

Lead: Rail and Public Transit Division

Accountability, Transparency, Performance, and Efficiency

HB 2017 includes a number of provisions related to accountability that will require the Commission and ODOT to:

- Create a Continuous Improvement Advisory Committee.
- Expand Commission support staff roles and responsibilities.
- Develop a transparency and accountability website, which includes expanding on the existing project information website.
- Work with local governments on performance and accountability reporting.
- Enhance the role of the Commission in audits.
- Develop a cost-benefit analysis methodology.

Lead: Director's Office; Transportation Development Division

Value Pricing Planning and Implementation

Section 120 of HB 2017 requires the Commission to implement value pricing, which may include but is not limited to variable time-of-day pricing, on Interstate 5 and Interstate 205 from the Columbia River to the junction of the two freeways. The Commission must seek approval from the Federal Highway Administration (FHWA) no later than December 31, 2018 and implement the proposal if approved.

Planning

To develop the proposal, ODOT Region 1 and the Office of Innovation will create a Policy Advisory Committee (PAC) of metro region local government officials and stakeholders. This PAC will guide the overall process, including defining goals and outcomes for value pricing, developing potential alternatives, and evaluating these alternatives against the adopted goals and outcomes.

Lead: Highway Division: Region 1; Director's Office: Office of Innovation

Toll System Development

ODOT will begin planning and development work for systems needed to implement tolling as we undertake the planning activities. This includes developing staffing and organizational models for a tolling function within the agency, updating ODOT's toll enforcement authority, exploring how to secure back office and customer service functions, and exploring procurement options for tolling infrastructure/lane systems. Work will begin within the Office of Innovation. Once planning work by Region 1 is complete and locations to toll have been determined, ODOT will stand up a new tolling unit within the agency in the 2019-2021 biennium.

Lead: Director's Office: Office of Innovation

Revenue Collection

DMV is tasked with creating new tiered vehicle registration and title fees that will charge vehicles based on how many miles they get per gallon, with more efficient vehicles will pay more to compensate for their reduced contribution to fuel tax revenue. These fees go into effect January 1, 2020, after the new DMV vehicle system is scheduled to be in place.

Lead: Driver and Motor Vehicle Services Division

Communications

ODOT will provide factual information to Oregonians to demonstrate what they will get for investments in the transportation system. Materials such as fact sheets and a GIS map that shows projects funded by the bill will be made available on a website, and staff in ODOT's regions will be provided information so share with local partners, particularly members of Area Commissions on Transportation and metropolitan planning organization boards.

Lead: Communications

Oversight of Funding Package Implementation

Management Steering Team

In order to ensure timely and effective implementation of the myriad programs and policies in the funding package, ODOT will create a management steering team made up senior management who have responsibility for implementing various provisions of the bill. Where necessary, ODOT will create working groups across the department to collaborate on major topics that reach across more than one division.

Oregon Transportation Commission Role

The Commission will play a key role in implementation of HB 2017. HB 2017 tasks the Commission with a wide variety of tasks, and ODOT will seek Commission approval for all major project, policy, and program implementation actions. In addition, ODOT will report regularly to the Commission, including a formal monthly report and regular agenda item updates on major implementation activities.