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Background Brief on...

State Highway Projects

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Highway Project Categories

The highway portion of the Oregon Department of Transportation (ODOT) 2003-05 budget, including state and federal funds, is divided into a maintenance program and a construction program:

Maintenance \$288 M

Construction \$1,243 M (distributed as shown below)

- **Modernization \$253 M** - Projects that add capacity such as adding lanes or improving interchanges.
- **Pavement Preservation \$310 M** - Projects that extend useful life, but not highway capacity, such as pavement overlays or major repairs.
- **Bridge \$225 M** - Projects that replace, repair, or preserve bridges.
- **Safety \$46 M** - Projects that reduce traffic injuries and fatalities, prioritized by cost-effectiveness and targeted to high-crash sites.
- **Operations \$33 M** - Projects that improve traffic flow, such as signal installation or upgrades, ramp metering, traffic cameras, rock and debris removal, and intelligent transportation systems.
- **Local Programs \$209 M** - Joint projects with cities or counties.
- **Special Programs \$162 M** - A range of programs including aspects of highway projects related to Salmon and Watersheds, Scenic Byways, Winter Recreation Parking, and Bicycle and Pedestrian.

Project Selection

Statewide Transportation Improvement Program

The Statewide Transportation Improvement Program (STIP) can be thought of as the capital improvements program for transportation in the state. It is a document adopted by the Oregon Transportation Commission and approved by the U.S. Department of Transportation. The STIP contains project schedules and funding assignments for an upcoming four-year period, including highway construction (but not maintenance), transit, bicycle, and pedestrian projects.

The STIP meets scheduling requirements for federal funding and is updated every two years. Development of the highway portion of a STIP update is a nearly year-long process beginning with project solicitation and prioritization

at the ODOT-region level. The regions use technical ratings, traffic counts, and local knowledge and priorities to rank preservation projects. ODOT also uses a technical advisory committee for bridge project selection. Factors considered when ranking modernization projects include safety, benefits, land use impacts, modal integration, congestion, public support, environmental impact, and economic impact.

Geographic Distribution of Funding: The Oregon Transportation Commission uses federal and state revenue forecasts to establish “target” funding levels for each of the five regions for each funding category. The region funding levels for modernization projects are based on a combination of factors including population, vehicle registrations, vehicle miles traveled, ton miles traveled, revenue generated, and need.

Area Commissions on Transportation: A fairly recent addition to the project selection process is input by Area Commissions on Transportation (ACTs). ACTs are locally formed committees of elected officials, business representatives, and other interests. ACTs are chartered by, and advisory to, the Oregon Transportation Commission. The ACTs propose and comment on policy and projects. Eleven ACTs have been commissioned since 1997.

Planning Requirements: Projects in the STIP must be consistent with various state and local plans. The 1992 Oregon Transportation Plan (currently being updated) is the multi-modal, long-range plan for transportation in the state. The general policy statements in the plan are further defined in individual modal plans like the Highway Plan, the Rail Plan, the Bicycle and Pedestrian Plan, and the Aviation Plan. Corridor plans take another view, analyzing individual corridors for all modal options. Some cities, counties, and Metropolitan Planning Organizations are also required under Land Conservation and Development Commission rules to develop Transportation System Plans. These plans must integrate transportation facilities and services into local comprehensive plans.

Tracking Project Status

As required by 1999 legislation, ODOT prepares a *Highway Construction Plan* each biennium and then each

quarter prepares a *Quarterly Status Report* on the plan. For each project, the *Status* lists performance indicators, updated cost estimates and actual expenditures (noting any changes from the previous report), and reasons for any project delays.

OTIA Projects

Oregon Transportation Investment Act (OTIA) projects are selected by the Transportation Commission through separate approval processes and are added to the STIP. The selection processes were stipulated in the legislation that authorized the additional bonding for the projects, HB 2142 (2001) and HB 2041 (2003). A notable feature of the OTIA program is its leverage of local match.

Project Contracting

State highway construction and preservation projects are all contracted to the private sector. The 2003-05 ODOT budget contains over \$1.2 billion for contractor payments. The traditional road construction model is known as “design-bid-build”. Under this model, agency staff design a project, the agency then requests bids under the design specifications and selects the lowest qualified bidder to construct the project. Agency staff then oversee the contractor and manage the project.

ODOT has turned to more “full-service” contracting in cases where it might speed project delivery, save money, or minimize use of agency personnel. For delivery of OTIA projects, the agency is also using more private sector designers, project consultants, and in the case of the bridge projects, a private sector project manager.

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Websites:

Statewide Transportation Improvement Program

<http://www.odot.state.or.us/stip/>

Oregon Transportation Investment Act

<http://www.odot.state.or.us/otia/>