

**76<sup>th</sup> OREGON LEGISLATIVE ASSEMBLY – 2011 Regular Session  
BUDGET REPORT AND MEASURE SUMMARY**

**MEASURE: HB 5046-A**

**JOINT COMMITTEE ON WAYS AND MEANS**

**Carrier – House: Rep. Beyer  
Carrier – Senate: Sen. Nelson**

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**Action:** Do Pass as Amended and as Printed A-Engrossed

**Vote:** 19 – 5 – 1

House – Yeas: Beyer, Buckley, Cowan, Freeman, Garrard, Komp, Kotek, Nathanson, Richardson, G. Smith, Whisnant  
– Nays: McLane, Thatcher  
– Exc: Nolan

Senate – Yeas: Bates, Devlin, Edwards, Johnson, Monroe, Nelson, Verger, Winters  
– Nays: Girod, Thomsen, Whitsett  
– Exc:

**Prepared By:** Tamara Brickman, Department of Administrative Services

**Reviewed By:** Susie Jordan, Legislative Fiscal Office

**Meeting Date:** June 8, 2011

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**Agency**  
Oregon Department of Transportation

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**Biennium**  
2011-13

## **Budget Summary\***

	2009-11	2011-13	2011-13	2011-13	Committee Change from	
	Legislatively Approved Budget (1)	Current Service Level	Governor's Budget	Committee Recommendation	2009-11 Leg Approved \$ Change	% Change
General Fund	\$ 9,861,082	\$ 0	\$ 0	\$ 0	\$ (9,861,082)	-100.0%
General Fund Debt Svc	8,999,171	52,678,638	20,000,231	15,416,053	6,416,882	+71.3%
Lottery Funds Debt Svc Ltd	85,445,103	83,891,421	83,891,421	80,977,033	(4,468,070)	-5.2%
Other Funds Cap Improvement	3,259,788	3,338,023	3,259,788	3,259,788	0	0.0%
Other Funds Non-Ltd	18,158,214	18,158,214	18,158,214	18,158,214	0	0.0%
Other Funds Ltd	3,629,148,734	3,256,287,886	3,374,082,763	3,190,344,508	(438,804,226)	-12.1%
Other Funds Debt Svc Ltd	301,690,901	365,121,042	376,949,223	369,150,392	67,459,491	+22.4%
Federal Funds Debt Svc Non-Ltd	11,921,871	21,621,528	21,621,528	21,621,528	9,699,657	+81.4%
Federal Funds Ltd	125,883,005	91,734,640	92,893,205	116,582,985	(9,300,020)	-7.4%
	\$ 4,194,367,869	\$ 3,892,831,392	\$ 3,990,856,373	\$ 3,815,510,501	\$ (378,857,368)	\$ -9.0%

## **Position Summary**

Authorized Positions	4,644	4,609	4,639	4,613	-31
Full-time Equivalent (FTE) Positions	4,546.08	4,517.29	4,544.19	4,521.79	-24.29

(1) Includes adjustments through March 2011.

\* Excludes Capital Construction expenditures

## **2009-11 APPROPRIATION**

Other Funds	\$ 12,500,000
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## **Summary of Revenue Changes**

The Subcommittee, through House Bill 5047 (the agency's fee bill) ratified the establishment of fees for the issuance and renewal of group plates (\$8,000), the establishment of new fees and an increase in existing fees for the Outdoor Advertising Sign Program (\$698,088), and the establishment of a fee for the new "Fallen Public Safety Officer" registration plate (\$8,000). The new and increased fees are expected to generate approximately \$0.71 million in Other Fund revenues. The Subcommittee established a June 30, 2013 sunset on the fees relating to the Outdoor Advertising Sign Program and directed the department to request re-approval, during the 2013 Legislative Session, of the Outdoor Advertising Permit fees, approved in House Bill 5047, to meet extraordinary enforcement costs.

Federal Funds through the Federal Highway Administration include a number of discretionary grant programs including the FHWA Ferry Boat program, Highways for LIFE, National Historic Covered Bridges, Scenic Byways, Diesel Emissions Reductions Act, Clean Cities, Transit Investments for Greenhouse Gas and Energy Reduction and On-The-Job Training Support Services, Interstate Maintenance; Bridge, Innovative Bridge Research and Deployment, Public Lands Highway, Rail Highway Crossing Hazard Elimination, Transportation Community and System

Preservation, and Truck Parking facilities that do not require additional staff or resources to support. Match requirements vary by program but are generally under 20% and will be provided by the entity benefiting from the grant proceeds if awarded. The Subcommittee approved the submission of FHWA discretionary grants during the biennium with the understanding that final grant applications will be submitted to the legislative Fiscal office for review prior to submission.

## **Summary of Transportation and Economic Development Subcommittee Action**

The Oregon Department of Transportation (ODOT) is responsible for a wide range of programs and activities related to Oregon's transportation systems. The agency is involved in developing highways, roads and bridges, railways, public transportation services, bicycle and pedestrian paths, transportation safety programs, driver and vehicle licensing, and motor carrier regulation. The agency, which has offices and facilities statewide, is organized into 23 program units for budget recording purposes.

The Subcommittee reviewed the department's budget and approved \$3,816 million total funds and 4,613 positions (4,521.79 FTE). The Subcommittee approved a budget that is a \$378.4 million decrease (9.01 percent) from the 2009-11 legislatively approved budget

The budget supports \$15.4 million in General Fund Debt Service for the Revised State Radio Project (also known as OWIN) \$81 million Lottery Funds in debt service costs for Connect Oregon I, II, and III projects. Connect Oregon provided funding for improving public transportation, the aviation system, the rail network, and marine and ports - with an emphasis on projects that will facilitate the movement of people or freight between roads and air, water, and rail transportation. Due to program restructuring and the re-pricing of lottery bonds scheduled for issuance in 2011-13, the Lottery Bond Debt Service amount will be revised in other legislation to reflect a savings of \$11,276,491 in Lottery Bond Debt Service for 2011-13. The budget continues support for senior and disabled transit operations and equipment.

The recommended budget for this agency includes a reduction of Lottery Funds for a supplemental ending balance. The reduction is intended to be applied against spending levels in the second year of the biennium and not to affect program delivery in the first year. To reinforce that intent, the agency's budget bill includes specific language allowing the agency to expend up to 54 percent of its total biennial General Fund appropriation in the first year of the biennium.

The amount of the reduction for the supplemental ending balance may be restored during the February 2012 session to the agency for the second year of the biennium depending on economic conditions. Therefore, the Co-Chairs of the Joint Committee on Ways and Means expect the agency director to closely monitor the quarterly revenue forecast and other economic indicators to gauge adequacy of funding in the second year and manage the budget accordingly.

The agency's budget includes the following program units:

- Highway: Maintenance, Preservation, Bridge, Highway Operations, Modernization, Special Programs, Local Government, Radio
- Driver and Motor Vehicle Services
- Motor Carrier Transportation

- Transportation Program Development
- Public Transit
- Rail
- Transportation Safety
- Debt Service
- Central Services
- Oregon Transportation Infrastructure Bank
- Capital Improvements
- Capital Construction

### Highway

The Highway Division consists of two major program areas: Maintenance and Construction. Construction includes the Preservation, Bridge, Modernization, Highway Operations, Local Government programs, Special Programs, and the Radio unit.

### Highway – Maintenance

The Maintenance program includes the routine daily activities of maintaining, repairing, or restoring existing highways to keep them safe and usable for travelers. Typical activities are surface and shoulder repair, drainage work, roadside and vegetation management, snow and ice control, bridge maintenance, traffic services, extraordinary maintenance or damage repair, emergency relief, fleet services and supply operations, and radio communications. The Subcommittee approved a total budget of \$422,692,000 Other Funds and 1,377 positions (1,332.80 FTE).

The Subcommittee approved the following packages:

- Package 086, Eliminate Inflation, reduces \$1,088,458 Other Funds by eliminating standard inflation in certain accounts from the Current Service Level budget.
- Package 087, Personal Services Adjustments, eliminates \$11,783,762 Other Funds for a 5.5 percent across-the-board reduction in Personal Services from the Current Service Level budget.
- Package 140, OWIN Operations and Maintenance, provides \$3,106,768 Other Funds and eight positions (8.00 full-time equivalents) to provide operations and maintenance funding for the Revised State Radio Project (also known as the Oregon Wireless Interoperability Network). Funding for construction of the project has been repurposed to rebuild the existing Oregon Department of Transportation and Oregon State Police radio systems. The revised project will repair the critical components of the state's deteriorating state radio network, and provide a core foundation for a statewide, modern, reliable Federal Communications Commission compliant public safety radio system.

- Package 810, LFO Analyst Adjustments, eliminates \$627,507 Other Funds as an adjustment to vacancy savings to reflect a review of actual vacant position savings, Overtime, and Temporary Appointment account usage.

#### Highway – Preservation

The Preservation Program maintains a statewide Pavement Management System that monitors and forecasts pavement conditions on state highways. Part of the Highway program, preservation projects add useful life to a road without increasing its capacity, primarily through pavement resurfacing. ODOT has adopted a pavement preservation program designed to keep highways in the best condition at the lowest lifecycle cost. The program focuses on taking preventive measures to add useful life to a road before the pavement reaches poor condition. The Subcommittee approved a total budget of \$337,950,628 Other Funds, 145 positions (145.00 FTE).

The Subcommittee approved the following packages:

- Package 086, Eliminate Inflation, reduces \$79,038 Other Funds by eliminating standard inflation in certain accounts from the Current Service Level budget.
- Package 087, Personal Services Adjustments, eliminates \$1,678,825 Other Funds for a 5.5 percent across-the-board reduction in Personal Services from the Current Service Level budget.
- Package 090, BAM Analyst Adjustments, eliminates \$137,385 Other Funds for Personal Services and one position (1.00 full-time equivalent) that has been vacant for six or more consecutive months.
- Package 810, LFO Analyst Adjustments, eliminates \$549,150 Other Funds as an adjustment to vacancy savings to reflect a review of actual vacant position savings, Overtime, and Temporary Appointment account usage.

#### Highway – Bridge

This program preserves the more than 2,600 bridges and other highway related structures on the state highway system and maintains the National Bridge Inventory (NBI). Projects that rebuild or extend the service life of an existing bridge (including replacement) are identified through the Bridge Management System (BMS). The BMS is also used to store inventory and condition data to analyze and predict performance measurement goals, system conditions and needs. Routine bridge inspections are performed every two years. The BMS is used to develop programs for the Statewide Transportation Improvement Program (STIP) and the Major Bridge Maintenance program. The Subcommittee approved a total budget of \$615,101.034 Other Funds and 153 positions (153.00 FTE).

In 2003, the Legislature passed the Oregon Transportation Investment Act (OTIA) III, which authorized the sale of bonds for highway improvement projects, including bridges. At the conclusion of OTIA III, which will occur in 2013, 150 bridges will have been replaced.

The Subcommittee approved the following packages:

- Package 086, Eliminate Inflation, reduces \$48,503 Other Funds by eliminating standard inflation in certain accounts from the Current Service Level budget.
- Package 087, Personal Services Adjustments, eliminates \$1,722,200 Other Funds for a 5.5 percent across-the-board reduction in Personal Services from the Current Service Level budget.
- Package 810, LFO Analyst Adjustments, eliminates \$655,159 Other Funds as an adjustment to vacancy savings to reflect a review of actual vacant position savings, Overtime, and Temporary Appointment account usage.

### Highway Operations

The Highway Operations Program consists of two separate programs: Highway Safety and Highway Operations.

The Highway Safety Program is responsible for identifying all fatal and serious crash sites around the state and recommending cost-effective mitigation strategies. Solutions range from signal lights and building left turn lanes, to closing accesses to highways, fixing guardrails and installing breakaway sign posts. The program consists of several parts including:

- Highway Safety Program, which exists to achieve a significant reduction in traffic fatalities and serious injuries;
- Project Safety Management System, which is a comprehensive data analysis and reporting system designed to improve decision making for improved safety of Oregon's transportation system;
- High Risk Rural Road Program is aimed at carrying out safety improvement projects on rural roads with identified safety issues; and
- Safe Routes to School Program assists communities in identifying and reducing barriers and hazards to children in grades kindergarten through 12 that are walking or bicycling within two miles of a school.

Highway Operations is responsible for developing strategies and tools to deal with increasing traffic volume and limited funding by relying on emerging strategies and technology-based tools to increase system efficiency, increase safety and manage congestion. Program activities include traffic management, intelligent transportation systems and transportation system management, transportation operations centers and incident management, transportation demand management, and landslide and rockfall mitigation. The Subcommittee approved a total budget of \$134,632,484 Other Funds and 164 positions (163.08 FTE).

The Subcommittee approved the following packages:

- Package 086, Eliminate Inflation, reduces \$77,629 Other Funds by eliminating standard inflation in certain accounts from the Current Service Level budget.
- Package 087, Personal Services Adjustments, eliminates \$1,614,458 Other Funds for a 5.5 percent across-the-board reduction in Personal Services from the Current Service Level budget.

- Package 090, BAM Analyst Adjustments, eliminates \$95,362 Other Funds for Personal Services and one position (1.00 full-time equivalent) that has been vacant for six or more consecutive months.
- Package 810, LFO Analyst Adjustments, eliminates \$811,981 Other Funds as an adjustment to vacancy savings to reflect a review of actual vacant position savings, Overtime, and Temporary Appointment account usage.

### Highway – Modernization

Modernization projects add capacity to the highway system by adding lanes, widening bridges, rebuilding roads with major alignment improvements or major widening, building new road alignments, or new facilities such as by-passes. These projects improve safety, relieve congestion, and allow more efficient movement of people and goods across the state. ORS 366.507 requires ODOT to dedicate approximately \$100 million per biennium for highway modernization work.

In recognition of the need to focus on preserving the state’s existing infrastructure, the Oregon Transportation Commission has reduced the Modernization Program to the minimum level allowed under law. As a result, few new modernization projects have been considered over the last several years. The exception is the \$200 million Modernization program funded through Oregon Transportation Investment Act (OTIA) in 2001 and 2002 as well as \$500 million identified in 2003 (OTIA III). The Modernization program also administers the Immediate Opportunity Fund (IOF) program in partnership with the Business Development Department. The Subcommittee approved a total budget of \$389,941,008 and 135 positions (135.00 FTE).

The Subcommittee approved the following packages:

- Package 086, Eliminate Inflation, reduces \$101,561 Other Funds by eliminating standard inflation in certain accounts from the Current Service Level budget.
- Package 087, Personal Services Adjustments, eliminates \$1,565,937 Other Funds for a 5.5 percent across-the-board reduction in Personal Services from the Current Service Level budget.
- Package 810, LFO Analyst Adjustments, eliminates \$580,857 Other Funds as an adjustment to vacancy savings to reflect a review of actual vacant position savings, Overtime, and Temporary Appointment account usage.

### Highway – Special Programs

The Special Programs unit consists of construction projects and construction project support. These construction projects do not fit the general construction limitation categories and usually fall under special rules or program areas. Activity areas within this program unit include: pedestrian and bicycle, salmon/watershed work, forest highway program, jurisdictional exchange, winter recreation parking and snowmobile facilities. The

construction project support is composed of the necessary administrative, indirect and program support for the construction portion of the Highway Division. The Subcommittee approved a total budget of \$210,507,947 and 642 positions (632.02 FTE).

The Subcommittee approved the following packages:

- Package 086, Eliminate Inflation, reduces \$832,430 Other Funds by eliminating standard inflation in certain accounts from the Current Service Level budget.
- Package 087, Personal Services Adjustments, eliminates \$7,297,721 Other Funds for a 5.5 percent across-the-board reduction in Personal Services from the Current Service Level budget.
- Package 810, LFO Analyst Adjustments, eliminates \$2,245,860 Other Funds as an adjustment to vacancy savings to reflect a review of actual vacant position savings, Overtime, and Temporary Appointment account usage.

**Budget Note:**

The Oregon Department of Transportation's request to ratify fees established by administrative rule during the 2009-11 biennium for Sno-Park permits requires additional Legislative review. The Department is directed to convene a workgroup of proprietors of at least five major winter recreation destinations to develop a long-term strategy for funding snow removal and maintenance of parking areas. The strategy shall address alternatives that do not require the continuing escalation of Sno-Park Permit fees for average citizens. The Department shall provide a strategic plan to the Joint Committee on Ways and Means during its February 2012 Legislative Session.

**Highway – Local Government**

ODOT is responsible for administering all Federal Funds supporting highway construction in Oregon. All local expenditures related to federal highway programs are included in ODOT's budget. About 25 percent of the Federal Funds that come to Oregon are shared with local partners. Activities and programs include:

- Project and program support for the local portion of Oregon Transportation Investment Act (OTIA) funding.
- Fund exchange, which exchanges federal funds for state funds to help local agencies develop projects using their own contracting regulations.
- The Special City Allotment, which requires the distribution of \$1 million per year in state gas taxes to cities with populations of less than 5,000.

- Federal aid programs including the Surface to Transportation Program (STP), Local Bridge program, Congestion Mitigation and Air Quality, High Risk Rural Roads, Transportation Enhancement, Discretionary funding program, Safe Routes to Schools and Metropolitan Planning.

The Subcommittee approved a total budget of \$379,936,641 and 40 positions (40.00 FTE). The Subcommittee approved the following packages:

- Package 086, Eliminate Inflation, reduces \$1,162,581 Other Funds by eliminating standard inflation in certain accounts from the Current Service Level budget.
- Package 087, Personal Services Adjustments, eliminates \$483,693 Other Funds for a 5.5 percent across-the-board reduction in Personal Services from the Current Service Level budget.

#### Highway – OWIN

The 2005 Legislature enacted House Bill 2101, which directed state government to consolidate the four radio communications systems of State Police, Department of Transportation, Department of Forestry and Department of Corrections, and design a replacement for the fragmented, outdated, and unreliable emergency radio communications systems currently in place throughout Oregon. The bill addressed the need to provide reliable, instantaneous communication among separate agencies, to enable police, firefighters and other responders from all jurisdictions to coordinate their efforts during emergencies.

Additionally, the Federal Communications Commission's (FCC) issued a mandate that requires all users of land mobile radios to convert from wideband to narrowband before January 1, 2013. Failure to comply will result in federal fines and/or immediate loss of several hundred FCC frequency licenses by the State of Oregon public safety agencies.

The OWIN division was established to provide reliable and robust statewide communications available to emergency personnel. OWIN was transferred from Oregon State Police to the Department of Transportation following the February 2010 Special Session. OWIN works with the Oregon State Police, Forestry, and Corrections, as well as local and federal public safety agencies to upgrade and improve public safety voice and data communications in the state of Oregon.

The project has been scaled back and renamed the Revised State Radio Project. Because expenditure authority was approved in the 2009 six-year capital construction legislation additional expenditure authority is unnecessary. The Subcommittee approved the following with respect to the Revised State Radio Project:

- Package 150, OWIN Construction, provides authority for the department to administratively establish 20 limited duration positions (20.00 full-time equivalents) to support the Revised State Radio Project. The revised project will rebuild the existing ODOT and OSP radio systems to create an integrated statewide network. The project will partner with local public safety agencies, repair the critical components of the deteriorating state radio network, provide the core foundation for a statewide, modern and reliable FCC compliant public safety radio system; and requires no new money. This project is estimated to cost \$121.4 million over the 2011-13 biennium and

\$43 million in 2013-15. Expenditure authority for the positions is included in the existing capital construction project approved by the Legislature under Chapter 904, Section (1)(5) 2009 Oregon Laws and Chapter 107, Section 60 and Section 61 2010 Oregon Laws.

- Package 810 LFO Adjustments, (see discussion in Debt Service).

**Budget Note:**

The approved budget incorporates the Oregon Department of Transportation's (ODOT) "go-forward" strategy for scaling back the OWIN project to instead focus on the necessary components of the project to create an integrated statewide radio network. The 2011-13 biennial budget of \$121.4 million utilizes previously authorized expenditure authority from the six-year capital construction project approved in 2009 by the Legislature. Resources to implement this plan may be unscheduled. The Department is expected to work closely with the legislative workgroup, interim Joint Committee on Ways and Means, the Emergency Board, and Legislative Fiscal Office to assure that the project occurs consistent with the approved "go-forward" strategy defined in its May 6, 2011 business plan.

The Department is directed to report by no later than December 1, 2011 to the Interim Joint Committee on Ways and Means and/or Emergency Board on the progress, accomplishments, resources, and risks or issues. The report should include documentation on the efforts made to incorporate existing systems (such as the Frontier Telenet/Day Wireless communications sites) and rationale for decisions that would not utilize these systems. The Department is further directed to report to the Joint Committee on Ways and Means during the 2012 legislative session on the status of partnership agreements, changes in technology, progress on the revised project and to deliver a complete strategy to achieve interoperability across the state incorporating other state and local agencies that may now or in the future subscribe to the expanded system.

**Driver and Motor Vehicles Services**

Driver and Motor Vehicles Services' (DMV) mission is to promote driver safety, protect financial and ownership interests in vehicles, and collect revenue for Oregon's roads. DMV manages driver and vehicle programs. Driver programs include licensing drivers; verifying identification; testing driver skills, knowledge, and vision; and maintaining driver records. The vehicle program is responsible for registering and titling all vehicles in Oregon. DMV also issues trip permits for unregistered vehicles moving through the state and regulates vehicle-related businesses in the state. Driver fees support driver programs and vehicle fees go to the Oregon Highway Fund. The Subcommittee approved a total budget of \$158,812,409 Other Funds, \$3,396,725 Federal Funds and 861 positions (837.46 FTE).

The Subcommittee approved the following packages:

- Package 086, Eliminate Inflation, reduces \$1,365,413 Other Funds and \$69,014 Federal Funds by eliminating standard inflation from the Current Service Level budget.

- Package 087, Personal Services Adjustments, eliminates \$6,261,469 Other Funds for a 5.5 percent across-the-board reduction in Personal Services from the Current Service Level budget.
- Package 090, BAM Analyst Adjustments, eliminates \$91,763 Other Funds for Personal Services and one position (1.00 full-time equivalent) that has been vacant for six or more consecutive months.
- Package 230, CDL Federal Compliance, provides \$350,890 Other Funds to support Oregon's compliance with the Federal Motor Carrier Safety Regulations for commercial driver licensing. The regulations were published in December 2008. Federal regulations require states to make Commercial Driver License Information System (CDLIS) changes to support medical requirements and CDLIS modernization specifications. These changes must be complete by January 21, 2012. This package continues work already begun by the Department. The Department will utilize temporary staff to help with back office needs, while utilizing the existing Information Systems (IS) staff to complete the IS portion of the project. The limitation associated with this package is associated with the passage of House Bill 2138. The Department of Administrative Services will unschedule the funds if House Bill 2138 or other enabling legislation is not approved by the Legislature.
- Package 810, LFO Analyst Adjustments, eliminates \$1,248,021 Other Funds as an adjustment to vacancy savings to reflect a review of actual vacant position savings, Overtime, and Temporary Appointment account usage. The package also provides \$1,170,463 Federal Funds, which is a carry forward of Federal Emergency Management Agency grant funds for the Automated Testing Device equipment device work that will be completed in 2011-13. Finally, the package shifts a transfer out of Other Funds to the Department of Education from DMV into the Transportation Safety program, where the School Crossing Safety program is actually monitored.

#### Motor Carrier Transportation

The Motor Carrier Transportation Division (MCTD) helps truckers comply with laws and rules related to registration, safety, highway-use tax, truck size and weight. MCTD's mission is to promote a safe, efficient and responsible commercial transportation industry by simplifying compliance, reducing unnecessary regulations, protecting highways and bridges from damage, enhancing private-public partnerships, fostering effective two-way communication, delivering superior customer service and recognizing the vital economic interest of the commercial transportation system. The Subcommittee approved a budget of \$58,211,333 Other Funds, \$5,585,990 Federal Funds, and 310 positions (310.00 FTE).

The Subcommittee approved the following packages:

- Package 086, Eliminate Inflation, reduces \$357,883 Other Funds and \$118,406 Federal Funds by eliminating standard inflation from the Current Service Level budget.
- Package 087, Personal Services Adjustments, eliminates \$2,570,028 Other Funds and \$54,019 Federal Funds for a 5.5 percent across-the-board reduction in Personal Services from the Current Service Level budget.

- Package 810, LFO Analyst Adjustments, eliminates \$353,853 Other Funds as an adjustment to vacancy savings to reflect a review of actual vacant position savings, Overtime, and Temporary Appointment account usage.

### Transportation Program Development

Transportation Program Development plans and coordinates the future use of transportation resources among state, federal, and local agencies to design and operate an efficient transportation system. The division has six major program responsibilities:

- Statewide Plans and Special Studies develops short-term and long-term transportation system plans.
- Technical Assistance and Coordination provides local governments with technical assistance and provides statewide coordination of transportation system planning.
- Analysis and Research oversees Oregon's transportation asset management system development, data, mapping and modeling systems, and conducts research projects to find new ways to enhance the transportation system.
- Legislative Mandates acts on recent mandates originating from House Bill 2001 (2009) and Senate Bills 1059 (2010) by working with other state agencies and Metropolitan Planning Organizations (MPO) to address new concepts such as Least Cost Planning and supporting modeling efforts to address Greenhouse Gas Emission reduction planning.
- Statewide Transportation Improvement Programs (STIP) develops Oregon's four-year transportation capital improvement program.
- Connect Oregon, a program approved by the Legislature in 2005 (Connect Oregon I), 2007 (Connect Oregon II), and 2009 (Connect Oregon III) for multi-modal projects.

The Subcommittee approved a budget of \$222,732,601 Other Funds (which includes \$84,585,824 for Connect Oregon), \$165,703 Federal Funds and 223 positions (214.43 FTE). The Subcommittee approved the following packages:

- Package 086, Eliminate Inflation, reduces \$3,977,880 Other Funds and \$969 Federal Funds by eliminating standard inflation from the Current Service Level budget.
- Package 087, Personal Services Adjustments, eliminates \$2,397,570 Other Funds and \$10,198 Federal Funds for a 5.5 percent across-the-board reduction in Personal Services from the Current Service Level budget.
- The Subcommittee approved a budget note in Package 502, Columbia River Crossing Investment, as follows:

**Budget Note:**

The Columbia River Crossing (CRC) bridge project is a major initiative to address congestion problems on I-5 between Portland, Oregon and Vancouver, Washington that requires support by not only the Governors of both states but the Legislatures as well. The Oregon Department of Transportation (ODOT) budget includes resources to continue work on solutions that advance the CRC to completion of the required Environmental Impact Statement.

ODOT is directed to provide reports to the Senate and House Transportation Committees on the progress made on the CRC project whenever these committees or their interim equivalents meet. Such ODOT reports shall include updated information on cost estimates, proposed alternatives, right-of-way procurement schedule, financing plans for the CRC project including initial and updated information regarding projected traffic volumes, fuel/gas rate assumptions, toll rates, cost of toll collections, as well as potential impacts on other Oregon transportation funding.

ODOT is directed to secure and provide an independent grade analysis of the project with oversight of the consultant provided by the State Treasurer.

Finally, ODOT shall provide a clear and concise feasibility study, and develop a phased master plan for the CRC that allows for legislative oversight and approval at key decision points and report to the Legislature by February 2012, with the first iteration of CRC reports.

Package 810, LFO Analyst Adjustments, eliminates \$336,158 Other Funds as an adjustment to vacancy savings to reflect a review of actual vacant position savings, Overtime, and Temporary Appointment account usage. The package shifts \$1,000,000 from the flexible Federal Surface Transportation funds to the Senior and Disabled Transportation Program. This action reduces the funding for the Drive Less Save More marketing campaign by \$500,000 and the amount available for other discretionary projects approved by the Transportation Commission

**Public Transit**

The Public Transit Division provides grants, policy leadership, training and technical assistance to communities and local transportation providers. The division also assists in the development and use of transit, ridesharing, and other alternatives to driving alone as ways to reduce congestion, diminish environmental impacts and make more efficient use of Oregon's transportation system. The Subcommittee approved a budget of \$25,714,385 Other Funds, \$55,206,867 Federal Funds, and 15 positions (14.75 FTE).

The Subcommittee approved the following packages:

- Package 086, Eliminate Inflation, reduces \$752,307 Other Funds and \$1,116,249 Federal Funds by eliminating standard inflation from the Current Service Level budget.
- Package 087, Personal Services Adjustments, eliminates \$55,293 Other Funds and \$99,652 Federal Funds for a 5.5 percent across-the-board reduction in Personal Services from the Current Service Level budget.
- Package 810, LFO Analyst Adjustments, eliminates \$12,941 Other Funds and \$8,628 Federal Funds as an adjustment to vacancy savings to reflect a review of actual vacant position savings, Overtime, and Temporary Appointment account usage. The package makes a technical adjustment to decrease Other Funds expenditures by \$6,500,000 and increase Federal Funds by \$7,500,000. The Subcommittee directed the department to utilize \$1,000,000 of the flexible Federal Surface Transportation Funds for the Senior and Disabled Transportation Program, which results in an increase of Federal Fund expenditure for program.

### Rail

The Rail Division represents and advocates for customers of passenger and freight railroads to ensure a safe, efficient and reliable rail transportation system. Among the division's responsibilities are: rail safety; crossing safety; rail planning, projects and operations; passenger rail; crossing blockage; and railroad property management. The Subcommittee approved a budget of \$32,355,501 Other Funds, \$34,606,903 Federal Funds, and 25 positions (25.00 FTE).

The Subcommittee approved the following packages:

- Package 086, Eliminate Inflation, reduces \$119,393 Other Funds and \$87,451 Federal Funds by eliminating standard inflation from the Current Service Level budget.
- Package 087, Personal Services Adjustments, eliminates \$280,604 Other Funds for a 5.5 percent across-the-board reduction in Personal Services from the Current Service Level budget.
- Package 810, LFO Analyst Adjustments, eliminates \$18,988 Other Funds as an adjustment to vacancy savings to reflect a review of actual vacant position savings, Overtime, and Temporary Appointment account usage. The package also increases Other Funds limitation (\$4.8 million) for existing funds that have not been spent in 2009-11 for railroad grade crossing projects. Finally, the package carries forward Federal Fund limitation (\$18.3 million) that was unspent in 2009-11 but dedicated, for the purchase of new train sets for passenger rail.

### Transportation Safety

The Transportation Safety Division, in consultation with the Transportation Safety Committee, works with many partners to organize, plan and conduct a statewide transportation safety program. These partners include other state agencies, governor-appointed advisory committees, local agencies, nonprofit groups and citizens. The staff coordinates general activities and programs of the several departments, divisions or agencies of the state engaged in promoting transportation safety. The division promotes safety through education, enforcement, emergency medical services and engineering. The division serves as a clearinghouse for all transportation safety materials and information used throughout the state. The

division cooperates in promoting research, special studies and analysis of problems concerning transportation safety and makes recommendations to the legislature concerning safety regulation and laws. The Subcommittee approved a budget of \$13,954,591 Other Funds, \$17,601,075 Federal Funds, and 25 positions (25.00 FTE).

The Subcommittee approved the following packages:

- Package 086, Eliminate Inflation, reduces \$283,728 Other Funds and \$376,473 Federal Funds by eliminating standard inflation from the Current Service Level budget.
- Package 087, Personal Services Adjustments, eliminates \$129,670 Other Funds and \$124,120 Federal Funds for a 5.5 percent across-the-board reduction in Personal Services from the Current Service Level budget.
- Package 090, BAM Analyst Adjustments, eliminates \$56,939 Federal Funds for Personal Services and one position (0.50 full-time equivalent) that has been vacant for six or more consecutive months.
- Package 810, LFO Analyst Adjustments, eliminates \$20,943 Other Funds as an adjustment to vacancy savings to reflect a review of actual vacant position savings, Overtime, and Temporary Appointment account usage. The package also shifts revenue from DMV into Transportation Safety and out to the Department of Education (\$92,987) for the School Crossing Safety program to accurately reflect where the program is monitored.

Debt Service

The Debt Service program consists of principal and interest payments related to debt and loan activities. Other Funds Debt Service consists of Revenue Bonds for OWIN, the Transportation building, OTIA, and the Jobs and Transportation Act (JTA), as well as Certificates of Participation (COP) for the DMV Building Refunding. Lottery Bond Debt Service is for the following projects:

Shortline Infrastructure Assistance	\$717,969
Industrial Rail Spur Infrastructure	\$1,417,489
South Metro Commuter Rail	\$3,343,064
Southeast Metro Milwaukie Extension	\$31,287,728
Connect Oregon I	\$10,614,718
Connect Oregon II	\$14,960,002
Connect Oregon III	\$18,831,601
Street Car	\$2,718,825
Total	\$83,891,396

General Fund Debt Service is for COPs issued for OWIN. The Subcommittee approved a budget of \$15,416,053 General Funds, \$80,977,033 Lottery Funds, \$369,150,392 Other Funds, and \$21,621,528 Nonlimited Federal Funds.

The Subcommittee approved the following packages:

- Package 810, LFO Analyst Adjustments, reduces General Fund Debt Service by \$4,029,350 and increases Other Funds by the same amount.
- Package 819, Supplemental Statewide Ending Balance, reduces Debt Service (\$554,828 General Fund and \$2,914,388 Lottery Funds) per the Co-Chairs' budget plan for a supplemental statewide ending balance hold back adjustment. The result is about a 3.5 percent across the board reduction to the agency's total biennial General Fund and Lottery Funds budget or approximately seven percent to be taken from the second year of the budget. The agency's budget bill will be amended to include direction that the agency may expend up to 54 percent of its total biennial General Fund appropriation during the first year of the biennium.

### Central Services

The Central Services division provides administrative support for ODOT Headquarters and provides the centralized administrative support and managerial services to ODOT's seven operations divisions, the Oregon Transportation Commission, external partners and stakeholders. The services and programs include the Office of Civil Rights (OCR), Office of Employee Safety, Government Relations Section, Sustainability Program, Communications Division, Financial Services, Human Resources, Information Systems, Business Services and Audit Services. The Subcommittee approved a budget of \$187,800,947 Other Funds, \$19,722 Federal Funds, and 498 positions (494.25 FTE).

The Subcommittee approved the following packages:

- Package 086, Eliminate Inflation, reduces \$4,620,351 Other Funds by eliminating standard inflation from the Current Service Level budget.
- Package 087, Personal Services Adjustments, eliminates \$5,580,208 Other Funds for a 5.5 percent across-the-board reduction in Personal Services from the Current Service Level budget.
- Package 810, LFO Analyst Adjustments, eliminates \$1,126,515 Other Funds as an adjustment to vacancy savings to reflect a review of actual vacant position savings, Overtime, and Temporary Appointment account usage.

### Capital Improvements

The Capital Improvement program provides for remodeling or repair of ODOT facilities where the projects are under \$1,000,000 and thus not large enough to qualify as Capital Construction.

The Subcommittee approved package 086, Eliminate Inflation, which reduces \$78,235 Other Funds by eliminating standard inflation from the Current Service Level budget.

### Capital Construction

The Capital Construction program provides for new construction, remodeling, or improvements to ODOT facilities that meet state budget criteria to be categorized as Capital Construction projects.

The subcommittee approved a \$1 placeholder for the remodel of the Portland Drive Test Center, as recommended in the Governor's budget. However, the expenditure limitation for this project is not included in House Bill 5046. It will be included in the Capital Construction bill, House Bill 5006.

### 2009-11 Supplemental Budget

The Subcommittee approved a \$12,500,000 Other Funds increase in Highway Maintenance for repair work related to winter storms that occurred in January 2011. The funds are provided to the Department from the Federal Highway Administration and the Federal Emergency Management agency.

### **Summary of Performance Measure Action**

See attached Legislatively Adopted 2011-13 Key Performance Measures form.

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

**HB 5046-A**

Oregon Department of Transportation  
 Tamara Brickman -- (503) 378-4709

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2009-11 Legislatively Approved Budget at March 2011 *	\$ 18,860,253	\$ 85,445,103	\$ 4,126,063,415	\$ 18,158,214	\$ 125,883,005	\$ 11,921,871	\$ 4,386,331,861	4,644	4546.08
2011-13 ORBITS printed Current Service Level (CSL)*	\$ 52,678,638	\$ 83,891,421	\$ 3,624,746,951	\$ 18,158,124	\$ 91,734,640	\$ 21,621,528	\$ 3,892,831,302	4,609	4517.29
2011-13 Governor's Recommended Budget*	\$ 20,000,231	\$ 83,891,421	\$ 3,754,354,934	\$ 18,158,214	\$ 94,093,206	\$ 21,621,528	\$ 3,992,119,534	4,639	4544.19

SUBCOMMITTEE ADJUSTMENTS (from GRB)

Capital Construction

Package 280: Merge Aviation into ODOT									
Capital Outlay	\$ 0	\$ 0	\$ (63,160)	\$ 0	\$ (1,200,001)	\$ 0	\$ (1,263,161)	0	0.00

Maintenance

Package 140: OWIN Operations and Maintenance									
Personal Services	0	0	(1,005,833)	0	0	0	(1,005,833)	(11)	(7.40)
Services & Supplies			476,215	0	0	0	476,215		
Capital Outlay			(1,150,240)	0	0	0	(1,150,240)		
Package 810: LFO Analyst Adjustments									
Personal Services	0	0	(627,507)	0	0	0	(627,507)	0	0.00

Preservation

Package 810: LFO Analyst Adjustments									
Personal Services	0	0	(549,150)	0	0	0	(549,150)	0	0.00

Bridge

Package 810: LFO Analyst Adjustments									
Personal Services	0	0	(655,159)	0	0	0	(655,159)	0	0.00

Highway Operations

Package 810: LFO Analyst Adjustments									
Personal Services	0	0	(811,981)	0	0	0	(811,981)	0	0.00

Modernization

Package 092: Fund Shifts\Sweeps									
Services & Supplies	0	0	55,829,103	0	0	0	55,829,103		
Package 502: Columbia River Crossing Investment									
Services & Supplies	0	0	(178,500,000)	0	0	0	(178,500,000)		
Package 810: LFO Analyst Adjustments									
Personal Services	0	0	(580,857)	0	0	0	(580,857)		

\*Excludes Capital Construction Expenditures

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>Special Programs</u>									
Package 150: OWIN Construction									
Personal Services	0	0	(301,195)	0	0	0	(301,195)	(2)	(2.00)
Services & Supplies	0	0	(15,000)	0	0	0	(15,000)		
Package 810: LFO Analyst Adjustments									
Personal Services	0	0	(2,245,860)	0	0	0	(2,245,860)	0	0.00
<u>Driver and Motor Vehicle Svcs</u>									
Package 210: Portland Drive Test Center									
Services & Supplies	0	0	(1)	0	0	0	(1)		
Package 810: LFO Analyst Adjustments									
Personal Services	0	0	(1,248,021)	0	0	0	(1,248,021)	0	0.00
Services & Supplies	0	0	0	0	1,170,463	0	1,170,463		
<u>Motor Carrier Transportation</u>									
Package 810: LFO Analyst Adjustments									
Personal Services	0	0	(353,853)	0	0	0	(353,853)	0	0.00
<u>Aviation</u>									
Package 280: Merge Aviation into ODOT									
Personal Services	0	0	(2,140,744)	0	0	0	(2,140,744)	(13)	(13.00)
Services & Supplies	0	0	(4,138,715)	0	(3,272,055)	0	(7,410,770)		
<u>Transportation Program Dev</u>									
Package 290: Connect Oregon IV									
Services & Supplies	0	0	(503,912)	0	0	0	(503,912)		
Special Payments	0	0	(40,000,000)	0	0	0	(40,000,000)		
Package 810: LFO Analyst Adjustments									
Personal Services	0	0	(336,158)	0	0	0	(336,158)	0	0.00
Services and Supplies			(500,000)				(500,000)		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>Public Transit</u>									
Package 810: LFO Analyst Adjustments									
Personal Services	0	0	(12,941)	0	(8,628)	0	(21,569)	0	0.00
Special Payments	0	0	(6,500,000)	0	7,500,000	0	1,000,000		
<u>Rail</u>									
Package 810: LFO Analyst Adjustments									
Personal Services	0	0	(18,988)	0	0	0	(18,988)	0	0.00
Services & Supplies	0	0	4,800,000	0	0	0	4,800,000		
Capital Outlay	0	0	0	0	18,300,000	0	18,300,000		
<u>Transportation Safety</u>									
Package 240: Mandatory Teen Driver Education									
Special Payments	0	0	(1,500,000)	0	0	0	(1,500,000)		
Package 810: LFO Analyst Adjustments									
Personal Services	0	0	(20,943)	0	0	0	(20,943)	0	0.00
<u>Debt Service</u>									
Package 502: Columbia River Crossing Investment									
Debt Service	0	0	(11,828,181)	0	0	0	(11,828,181)		
Package 810: LFO Analyst Adjustments									
Debt Service	(4,029,350)	0	4,029,350	0	0	0	0		
Package 819: Supplemental Statewide Ending Balance									
Debt Service	(554,828)	(2,914,388)	0	0	0	0	(3,469,216)		
<u>Central Services</u>									
Package 810: LFO Analyst Adjustments									
Personal Services	0	0	(1,126,515)	0	0	0	(1,126,515)		
TOTAL ADJUSTMENTS	\$ (4,584,178)	\$ (2,914,388)	\$ (191,600,246)	\$ 0	\$ 22,489,779	\$ 0	\$ (176,609,033)	(26)	(22.40)
SUBCOMMITTEE RECOMMENDATION *	\$ 15,416,053	\$ 80,977,033	\$ 3,562,754,688	\$ 18,158,214	\$ 116,582,985	\$ 21,621,528	\$ 3,815,510,501	4,613	4,521.79
% Change from 2009-11 Leg Approved Budget	-18.3%	-5.2%	-13.7%	0.0%	-7.4%	81.4%	-13.0%	-0.7%	-0.5%
% Change from 2011-13 Current Service Level	-70.7%	-3.5%	-1.7%	0.0%	27.1%	0.0%	-2.0%	0.1%	0.1%
% Change from 2011-13 Gov's Recommended Budget	-22.9%	-3.5%	-5.1%	0.0%	23.9%	0.0%	-4.4%	-0.6%	-0.5%

**2009-11 APPROPRIATION**

Maintenance - 100-20									
Services & Supplies	\$ 0	\$ 0	\$ 12,500,000	\$ 0	\$ 0	\$ 0	\$ 12,500,000		

\*Excludes Capital Construction Expenditures

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
TOTAL RECOMMENDED APPROPRIATION	\$ 0	\$ 0	12,500,000	\$ 0	\$ 0	\$ 0	12,500,000		

\*Excludes Capital Construction Expenditures

## Legislatively Approved 2011-2013 Key Performance Measures

**Agency: TRANSPORTATION, DEPARTMENT of**

Mission: To provide a safe, efficient transportation system that supports economic opportunity and livable communities for Oregonians.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2012	Target 2013
1 - Traffic Fatalities: Traffic fatalities per 100 million vehicles miles traveled (VMT).		Approved KPM	1.11	0.93	0.90
2 - Traffic Injuries: Traffic injuries per 100 million vehicles miles traveled (VMT).		Approved KPM	82.00	70.00	70.00
3 - Impaired Driving: Percent of fatal traffic accidents that involved alcohol.		Approved KPM	38.20	35.00	35.00
4 - Use of Safety Belts: Percent of all vehicle occupants using safety belts.		Approved KPM	97.00	95.00	95.00
5 - Large Truck At-Fault Crashes: Number of large truck at-fault crashes per million vehicle miles traveled (VMT).		Approved KPM	0.31	0.37	0.37
6 - Rail Crossing Incidents: Number of highway-railroad at-grade incidents.		Approved KPM	7.00	13.00	12.00
7 - Derailment Incidents: Number of train derailments caused by human error, track, or equipment.		Approved KPM	18.00	42.00	42.00
8 - Travelers Feel Safe: Percent of public satisfied with transportation safety.		Approved KPM	81.00	74.00	74.00
9 - Travel Delay: Hours of travel delay per capita per year in urban areas.		Approved KPM	20.00	26.00	26.00
10 - Special Transit Rides: Average number of special transit rides per each elderly and disabled Oregonian annually.		Approved KPM	7.48	7.00	7.00
11 - Passenger Rail Ridership: Number of state-supported rail service passengers.		Approved KPM	193,954.00	202,468.00	214,616.00
12 - Intercity Passenger Service: Percent of Oregon communities of 2,500 or more with intercity bus or rail passenger service.		Approved KPM	92.00	95.00	95.00

**Agency: TRANSPORTATION, DEPARTMENT of**

Mission: To provide a safe, efficient transportation system that supports economic opportunity and livable communities for Oregonians.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2012	Target 2013
13 - Alternatives to One-Person Commuting: Percent of Oregonians who commute to work during peak hours by means other than Single Occupancy Vehicles.		Approved KPM	30.40	30.00	30.00
14 - Jobs from Construction Spending: Number of jobs sustained as a result of annual construction expenditures.		Approved KPM	11,100.00	11,780.00	10,470.00
15 - Pavement Condition: Percent of pavement lane miles rated "fair" or better out of total lane miles in state highway system.		Approved KPM	86.00	78.00	78.00
17 - Fish Passage at State Culverts: Number of high priority ODOT culverts remaining to be retrofitted or replaced to improve fish passage.		Approved KPM	195.00	191.00	189.00
18 - Bike Lanes and Sidewalks: Percent of urban state highway miles with bike lanes and pedestrian facilities in "fair" or better condition.		Approved KPM	45.30	54.00	56.00
19 - Timeliness of Projects Going to Construction Phase: Percent of projects going to construction phase within 90 days of target date.		Approved KPM	92.00	80.00	80.00
20 - Construction Project Completion Timeliness: Percent of projects with the construction phase completed within 90 days of original contract completion date.		Approved KPM	79.00	80.00	80.00
21 - Construction Projects On Budget: Percent of original construction authorization spent.		Approved KPM	102.00	99.00	99.00
22 - Certified Businesses (DMWESB*): Percent of ODOT contract dollars awarded to disadvantaged, minority, women, and emerging small businesses.		Approved KPM	12.40	11.50	11.50
23 - Customer Satisfaction- Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Accuracy	Approved KPM	90.00	90.00	90.00
23 - Customer Satisfaction- Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Availability of Information	Approved KPM	86.90	90.00	90.00

**Agency: TRANSPORTATION, DEPARTMENT of**

Mission: To provide a safe, efficient transportation system that supports economic opportunity and livable communities for Oregonians.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2012	Target 2013
23 - Customer Satisfaction- Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Expertise	Approved KPM	90.60	90.00	90.00
23 - Customer Satisfaction- Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Helpfulness	Approved KPM	90.20	90.00	90.00
23 - Customer Satisfaction- Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Overall	Approved KPM	91.00	90.00	90.00
23 - Customer Satisfaction- Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Timeliness	Approved KPM	87.90	90.00	90.00
24 a - DMV Customer Services: Field office wait time (in minutes).		Approved KPM	9.30	12.00	12.00
24 b - DMV Customer Services: Phone wait time (in seconds).		Approved KPM	33.40	45.00	45.00
24 c - DMV Customer Services: Title wait time (in days).		Approved KPM	18.90	19.00	19.00
25 - Economic Revitalization Team Customer Satisfaction: Percentage of local participants who rank ODOT involvement with the Economic Revitalization Team as good or excellent.		Approved KPM	73.40	75.00	

**LFO Recommendation:**

Approve the departments request to continue existing KPMs and related targets into the 2011-13 biennium with the following modifications: eliminate component b and c of KPM #24; retain only component a DMV field office wait time; ODOT will maintain components b, phone wait times and c title wait times as an internal measure; eliminate KPM #25. Approve deleting KPM #16, Bridge Condition. The two new KPMs, Bridge Condition and Incident Response, are recommended to be kept as an internal measures only, not as a key performance measures.

**Sub-Committee Action:**

The Subcommittee approved the LFO Recommendations.