
MEMORANDUM

Legislative Fiscal Office
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To: Transportation and Economic Development Subcommittee

From: Julie Neburka, Legislative Fiscal Office
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Date: June 15, 2015

Subject: Oregon Department of Transportation
HB 5040 Work Session Recommendations

Department of Transportation

	2011-13 Actual	2013-15 Legislatively Approved*	2015-17 Current Service Level	2015-17 LFO Recommended
General Fund	1,970,000	12,740,000	17,289,285	27,697,995
Lottery Funds	72,614,922	93,953,970	114,855,747	107,484,140
Other Funds	2,793,642,941	3,838,134,402	3,099,642,389	3,181,410,367
Non-limited Other Funds	242,708,238	732,854,862	18,158,214	18,158,214
Federal Funds	111,311,859	121,380,415	107,136,132	110,217,062
Non-limited Federal Funds	21,621,529	21,621,529	21,621,529	21,621,529
Total Funds	3,243,869,489	4,820,685,178	3,378,703,296	3,466,589,307
Positions	4,629	4,556	4,550	4,510
FTE	4,511.65	4,467.47	4,452.98	4,400.89

*includes Emergency Board and administrative actions through December 2014

Attached are the recommendations from the Legislative Fiscal Office for the Department of Transportation. Recommendations include:

- Approving ODOT's ongoing efforts to align the agency's staff and activity levels to its ongoing revenue sources. Recommended revenue reduction packages total \$20.8 million and 82 positions across the agency.
- Reprogramming \$50 million in Highway Preservation projects that had been included in the cancelled Columbia River Crossing project.
- Beginning a significant service transformation project in the DMV, involving new technologies and significantly revised business processes. Starting this ten-year effort in 2015-17 will require Policy Option Package #140, \$30.4 million and 42 positions, 29.91 FTE. *This proposal has been reviewed by the IT subcommittee of the Joint Committee on Ways and Means. See attached memo with the subcommittee's and LFO's recommendations.*

- Implementing the acceptance of debit and credit cards at DMV offices statewide, POP #150, \$6.3 million.
- Continuing the Amtrak *Cascades* passenger rail service between Eugene and Portland, POP #160, \$10.4 million General Fund.
- Continuing General Fund support for Senior and Disabled Transit services statewide: \$9.27 million.
- Various technical adjustments to correct positions and program reporting relationships between divisions.

Adjustments to Current Service Level:

See attached “Work Session Presentation Report” dated 6/10/15.

Accept LFO Recommendation

Move the LFO recommendation to HB 5040.

OR

Change LFO recommendation

Move the LFO recommendation to HB 5040, with modifications.

Performance Measures

See attached “Legislatively Proposed 2015-17 Key Performance Measures” form.

Accept LFO Recommendation

Move the LFO recommendation on Key Performance Measures

OR

Change LFO recommendation

Move the LFO recommendation on Key Performance Measures, with modifications.

Budget Notes

There are two proposed budget notes.

Credit/Debit Card Fees

ODOT DMV and Motor Carrier Divisions are instructed to work collaboratively with the Oregon State Treasurer to develop necessary systems, agreements and requirements to implement a credit card merchant fee cost recovery method. This may include, but not be limited to: an assessment of transactions wherein the user of the card is charged the bank transaction fee, in addition to payment made to the agency for the tax, fee or other charge required by the department, and the 2014 recommendations of the Task Force on Transportation and Customer Service Efficiency.

The department will report back to the appropriate budget committee of the Legislature by December 1, 2015.

DMV – Service Transformation Project (STP)

The DMV STP will replace aging hardware and software solutions with a modern business and information platform. The approved budget incorporates ODOT-DMV request for \$30.4 Million for the DMV Service Transformation Program (STP). Resources to implement this program may be unscheduled.

The Oregon Department of Transportation (ODOT) is directed to convene a legislative workgroup to oversee the near-term phase and the long-term strategy to modernize all aspects of the DMV Service Transformation Program. The Workgroup shall consist of the following:

- 3 Oregon Senate Members
- 3 Oregon House Members
- State Chief Information Officer or designee
- State Legislative Fiscal Office representative
- 2 Private-sector members from the Technology Association of Oregon

The Department (ODOT) is further directed to work with the State Chief Information Office (OSCIO) and the Legislative Fiscal Office (LFO), to engage and follow the “Stage-gate” project and approval process.

Additionally, the Department is directed to report to the Joint Committee on Ways and Means during the 2016 Legislative Session on the status of the DMV Service Transformation Program.

Accept LFO Recommendation

Move the LFO recommended budget notes

OR

Change LFO recommendation – *any changes must be approved by the co-chairs*

Move the LFO recommended budget note, with modifications.

Recommended Changes to Appropriation Bill:

The Legislative Fiscal Office recommends a budget of \$27,697,995 General Fund, \$107,484,140 Lottery Funds, \$3,181,410,367 Other Funds, \$110,217,062 Federal Funds, \$18,158,214 Non-limited Other Funds, \$21,621,529 Non-limited Federal Funds, and 4,510 positions (4,400.89 FTE) and that House Bill 5040 be amended accordingly.

Following is the content of the -2 amendment:

Section 4

Line 14 – Delete [SECITON] and insert SECTION

Section 5 – Delete lines 17 through 20.

Section 6, page 2 of the printed bill

Line 2 – Delete [\$472,069,791] and insert \$472,225,417
Line 3 – Delete [\$215,979,411] and insert \$265,980,054
Line 4 – Delete [\$204,290,364] and insert \$204,292,387
Line 5 – Delete [\$134,684,171] and insert \$134,697,514
Line 6 – Delete [\$304,999,400] and insert \$305,025,567
Line 7 – Delete [\$271,304,654] and insert \$260,649,260
Line 8 – Delete [\$397,907,840] and insert \$397,908,361
Line 10 – Delete [\$208,511,911] and insert \$205,676,074
Line 11 – Delete [\$60,013,915] and insert \$60,020,993
Line 13 – Delete [\$98,573,935] and insert \$98,362,474
Line 14 – Delete [\$93,395,720] and insert \$33,976,920
Line 15 – Delete [\$30,348,869] and insert \$30,349,036
Line 16 – Delete [\$33,712,992] and insert \$31,255,874
Line 17 – Delete [\$17,627,277] and insert \$17,627,613
Line 18 – Delete [\$200,922,648] and insert \$215,813,836

Section 7

Line 29 – Delete [\$55,822,920] and insert \$55,823,130
Line 30 – Delete [\$26,196,036] and insert \$26,251,911
Line 31 – Delete [\$18,669,822] and insert \$18,669,948

Section 8

Line 34 – Delete [\$113,842,213] and insert \$107,484,140

HB 5040 Final Subcommittee Action:

Final Motion:

Move HB 5040 to the full committee with a “do pass” recommendation, as amended.

2013-15 Limitation increase:

The Legislative Fiscal Office recommends increasing the 2013-15 Public Transit Federal Funds expenditure limitation by \$5,000,000 to fund commitments carried over from the 2011-13 biennium; and increasing the Highway Operations Other Funds expenditure limitation by \$15,000,000 to fund highway projects being completed ahead of schedule in the current biennium.

Motion: Move to increase the Federal Funds expenditure limitation established for the Department of Transportation, Public Transit program by Oregon Laws 2013, Chapter 556, Section 4(4), by \$5,000,000 to complete commitments carried over from the 2011-13 biennium; and to increase the Other Funds expenditure limitation established for the Department of Transportation, Highway Operations Program by Oregon Laws 2013, Chapter 556, Section 3(5) by \$15,000,000 to fund highway projects being completed ahead of schedule.

Carriers:

Full: _____

House: _____

Senate: _____

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	2,060,000	93,953,970	3,813,954,090	119,483,481	18,158,214	21,621,529	4,069,231,284	4,557	4,467.97
2013-15 Ebds, SS & Admin Act	10,680,000	-	24,180,312	1,896,934	714,696,648	-	751,453,894	(1)	(0.50)
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	12,740,000	93,953,970	3,838,134,402	121,380,415	732,854,862	21,621,529	4,820,685,178	4,556	4,467.47
2013-15 Leg Approved Budget (Base)	11,060,000	93,953,970	3,837,855,561	119,790,108	283,800,326	21,621,529	4,368,081,494	4,556	4,467.47
Summary of Base Adjustments	7,967,885	20,901,777	(16,892,819)	(174,595)	(265,642,112)	-	(253,839,864)	(6)	(14.49)
2015-17 Base Budget	19,027,885	114,855,747	3,820,962,742	119,615,513	18,158,214	21,621,529	4,114,241,630	4,550	4,452.98
010: Non-PICS Pers Svc/Vacancy Factor	3,913	-	5,813,160	74,334	-	-	5,891,407	-	-
020: Phase In / Out Pgm & One-time Cost	(2,012,513)	-	(786,215,174)	(15,408,000)	-	-	(803,635,687)	-	-
030: Inflation & Price List Adjustments	270,000	-	59,766,790	3,215,341	-	-	63,252,131	-	-
050: Fundshifts and Revenue Reductions	-	-	361,056	(361,056)	-	-	-	-	-
060: Technical Adjustments	-	-	(1,046,185)	-	-	-	(1,046,185)	-	-
2015-17 Current Service Level	17,289,285	114,855,747	3,099,642,389	107,136,132	18,158,214	21,621,529	3,378,703,296	4,550	4,452.98
070: Revenue Reductions/Shortfall	-	-	(20,785,918)	(71,818)	-	-	(20,857,736)	(82)	(82.00)
Adjusted 2015-17 Current Service Level	17,289,285	114,855,747	3,078,856,471	107,064,314	18,158,214	21,621,529	3,357,845,560	4,468	4,370.98
Total LFO Recommended Packages	10,408,710	(7,371,607)	102,553,896	3,152,748	-	-	108,743,747	42	29.91
2015-17 Legislative Actions	27,697,995	107,484,140	3,181,410,367	110,217,062	18,158,214	21,621,529	3,466,589,307	4,510	4,400.89
Net change from 2013-15 Leg Approved Budget	14,957,995	13,530,170	(656,724,035)	(11,163,353)	(714,696,648)	-	(1,354,095,871)	(46)	(66.58)
Percent change from 2013-15 Leg Approved Budget	117.4%	14.4%	(17.1%)	(9.2%)	(97.5%)	0.0%	(28.1%)	(1.0%)	(1.5%)
Net change from 2015-17 Current Service Level	10,408,710	(7,371,607)	102,553,896	3,152,748	-	-	108,743,747	42	29.91
Percent change from 2015-17 Current Service Level	60.2%	(6.4%)	3.3%	2.9%	0.0%	0.0%	3.2%	0.9%	0.7%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	18,158,214	-	18,158,214	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	18,158,214	-	18,158,214	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	18,158,214	-	18,158,214	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	18,158,214	-	18,158,214	-	-
2015-17 Current Service Level	-	-	-	-	18,158,214	-	18,158,214	-	-
Adjusted 2015-17 Current Service Level	-	-	-	-	18,158,214	-	18,158,214	-	-
2015-17 Legislative Actions	-	-	-	-	18,158,214	-	18,158,214	-	-
Net change from 2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Capital Improvements

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	3,338,023	-	-	-	3,338,023	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	3,338,023	-	-	-	3,338,023	-	-
2013-15 Leg Approved Budget (Base)	-	-	3,338,023	-	-	-	3,338,023	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	3,338,023	-	-	-	3,338,023	-	-
030: Inflation & Price List Adjustments	-	-	100,141	-	-	-	100,141	-	-
2015-17 Current Service Level	-	-	3,438,164	-	-	-	3,438,164	-	-
Adjusted 2015-17 Current Service Level	-	-	3,438,164	-	-	-	3,438,164	-	-
Total LFO Recommended Packages	-	-	2,000,000	-	-	-	2,000,000	-	-
2015-17 Legislative Actions	-	-	5,438,164	-	-	-	5,438,164	-	-
Net change from 2013-15 Leg Approved Budget	-	-	2,100,141	-	-	-	2,100,141	-	-
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	62.9%	0.0%	0.0%	0.0%	62.9%	0.0%	0.0%
Net change from 2015-17 Current Service Level	-	-	2,000,000	-	-	-	2,000,000	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	58.2%	0.0%	0.0%	0.0%	58.2%	0.0%	0.0%

Capital Improvements

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 120 Cap Improvement

Package Description This package increases Capital Improvement projects limitation by \$2 million. Capital Improvement projects are capital projects totaling less than \$1 million. The funding will be used for the replacement, major repair and maintenance of ODOT structures such as roofs and HVAC systems and for the design and construction of smaller buildings. Projects identified as a high priority for funding from this limitation include replacing the roof, siding, and parking lots at the DMV Headquarters in Salem; replacing a boiler at the Region 3 headquarters building; and upgrading the boiler system at the Bend Truck Shop.

LFO Recommendation Approve the limitation increase.

LFO Recommended	-	-	2,000,000	-	-	-	2,000,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	1	-	-	-	1	-	-
2013-15 Ebds, SS & Admin Act	-	-	278,841	1,827,307	-	-	2,106,148	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	278,842	1,827,307	-	-	2,106,149	-	-
2013-15 Leg Approved Budget (Base)	-	-	1	237,000	-	-	237,001	-	-
Summary of Base Adjustments	-	-	(1)	(237,000)	-	-	(237,001)	-	-
2015-17 Base Budget	-	-	-	-	-	-	-	-	-
2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Adjusted 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Total LFO Recommended Packages	-	-	-	-	-	-	-	-	-
2015-17 Legislative Actions	-	-	-	-	-	-	-	-	-
Net change from 2013-15 Leg Approved Budget	-	-	(278,842)	(1,827,307)	-	-	(2,106,149)	-	-
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	(100.0%)	(100.0%)	0.0%	0.0%	(100.0%)	0.0%	0.0%
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Maintenance

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	453,789,506	-	-	-	453,789,506	1,357	1,314.40
2013-15 Ebds, SS & Admin Act	-	-	6,562,377	-	-	-	6,562,377	(1)	(0.50)
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	460,351,883	-	-	-	460,351,883	1,356	1,313.90
2013-15 Leg Approved Budget (Base)	-	-	460,351,883	-	-	-	460,351,883	1,356	1,313.90
Summary of Base Adjustments	-	-	3,998,913	-	-	-	3,998,913	9	(0.87)
2015-17 Base Budget	-	-	464,350,796	-	-	-	464,350,796	1,365	1,313.03
010: Non-PICS Pers Svc/Vacancy Factor	-	-	1,204,065	-	-	-	1,204,065	-	-
030: Inflation & Price List Adjustments	-	-	7,147,275	-	-	-	7,147,275	-	-
060: Technical Adjustments	-	-	193,788	-	-	-	193,788	1	1.00
2015-17 Current Service Level	-	-	472,895,924	-	-	-	472,895,924	1,366	1,314.03
070: Revenue Reductions/Shortfall	-	-	(790,507)	-	-	-	(790,507)	(7)	(7.00)
Adjusted 2015-17 Current Service Level	-	-	472,105,417	-	-	-	472,105,417	1,359	1,307.03
Total LFO Recommended Packages	-	-	120,000	-	-	-	120,000	-	-
2015-17 Legislative Actions	-	-	472,225,417	-	-	-	472,225,417	1,359	1,307.03
Net change from 2013-15 Leg Approved Budget	-	-	11,873,534	-	-	-	11,873,534	3	(6.87)
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	2.6%	0.0%	0.0%	0.0%	2.6%	0.2%	(0.5%)
Net change from 2015-17 Current Service Level	-	-	120,000	-	-	-	120,000	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 070 Revenue Shortfalls

Package Description This revenue shortfall package reduces agency expenditures and positions as part of ODOT's right-sizing process to align ongoing expenses with ongoing revenues.

LFO Recommendation Approve the reduction package.

LFO Recommended	-	-	(790,507)	-	-	-	(790,507)	(7)	(7.00)
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Maintenance

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description This package increases expenditure limitation in the Maintenance division to pay the Department of Administrative Services (DAS) for maintenance of ODOT's light fleet vehicles. Responsibility for ODOT's light fleet was transferred to DAS as of July, 2014. This action is budget neutral, as one position was reduced and transferred to DAS per the terms of the agreement.

LFO Recommendation Approve the adjustment.

LFO Recommended	-	-	120,000	-	-	-	120,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	249,282,316	-	-	-	249,282,316	140	140.10
2013-15 Ebds, SS & Admin Act	-	-	756,923	-	-	-	756,923	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	250,039,239	-	-	-	250,039,239	140	140.10
2013-15 Leg Approved Budget (Base)	-	-	250,039,239	-	-	-	250,039,239	140	140.10
Summary of Base Adjustments	-	-	(3,031,181)	-	-	-	(3,031,181)	(16)	(16.60)
2015-17 Base Budget	-	-	247,008,058	-	-	-	247,008,058	124	123.50
010: Non-PICS Pers Svc/Vacancy Factor	-	-	57,966	-	-	-	57,966	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(33,917,644)	-	-	-	(33,917,644)	-	-
030: Inflation & Price List Adjustments	-	-	5,585,611	-	-	-	5,585,611	-	-
060: Technical Adjustments	-	-	(200,000)	-	-	-	(200,000)	-	-
2015-17 Current Service Level	-	-	218,533,991	-	-	-	218,533,991	124	123.50
070: Revenue Reductions/Shortfall	-	-	(2,553,937)	-	-	-	(2,553,937)	(9)	(9.00)
Adjusted 2015-17 Current Service Level	-	-	215,980,054	-	-	-	215,980,054	115	114.50
Total LFO Recommended Packages	-	-	50,000,000	-	-	-	50,000,000	-	-
2015-17 Legislative Actions	-	-	265,980,054	-	-	-	265,980,054	115	114.50
Net change from 2013-15 Leg Approved Budget	-	-	15,940,815	-	-	-	15,940,815	(25)	(25.60)
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	6.4%	0.0%	0.0%	0.0%	6.4%	(17.9%)	(18.3%)
Net change from 2015-17 Current Service Level	-	-	50,000,000	-	-	-	50,000,000	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	23.2%	0.0%	0.0%	0.0%	23.2%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 070 Revenue Shortfalls

Package Description This revenue shortfall package reduces agency expenditures and positions as part of ODOT's right-sizing process to align ongoing expenses with ongoing revenues.

LFO Recommendation Approve the reduction package.

LFO Recommended	-	-	(2,553,937)	-	-	-	(2,553,937)	(9)	(9.00)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description This technical adjustment increases the Preservation program's expenditure limitation by \$50,000,000 to reflect the re-programming of Statewide Transportation Improvement Program (STIP) projects that had been delayed pending a decision about the Columbia River Crossing project. As the Columbia River Crossing project has been cancelled, Preservation projects that would have been undertaken as a part of that project can be re-scheduled and completed in the 2015-17 biennium.

LFO Recommendation Approve the limitation.

LFO Recommended	-	-	50,000,000	-	-	-	50,000,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	372,277,713	-	-	-	372,277,713	148	148.94
2013-15 Ebds, SS & Admin Act	-	-	846,167	-	-	-	846,167	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	373,123,880	-	-	-	373,123,880	148	148.94
2013-15 Leg Approved Budget (Base)	-	-	373,123,880	-	-	-	373,123,880	148	148.94
Summary of Base Adjustments	-	-	(5,285,048)	-	-	-	(5,285,048)	(25)	(25.94)
2015-17 Base Budget	-	-	367,838,832	-	-	-	367,838,832	123	123.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(124,095)	-	-	-	(124,095)	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(166,739,425)	-	-	-	(166,739,425)	-	-
030: Inflation & Price List Adjustments	-	-	5,536,837	-	-	-	5,536,837	-	-
060: Technical Adjustments	-	-	(400,000)	-	-	-	(400,000)	-	-
2015-17 Current Service Level	-	-	206,112,149	-	-	-	206,112,149	123	123.00
070: Revenue Reductions/Shortfall	-	-	(1,819,762)	-	-	-	(1,819,762)	(4)	(4.00)
Adjusted 2015-17 Current Service Level	-	-	204,292,387	-	-	-	204,292,387	119	119.00
2015-17 Legislative Actions	-	-	204,292,387	-	-	-	204,292,387	119	119.00
Net change from 2013-15 Leg Approved Budget	-	-	(168,831,493)	-	-	-	(168,831,493)	(29)	(29.94)
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	(45.3%)	0.0%	0.0%	0.0%	(45.3%)	(19.6%)	(20.1%)
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 070 Revenue Shortfalls

Package Description This revenue shortfall package reduces agency expenditures and positions as part of ODOT's right-sizing process to align ongoing expenses with ongoing revenues.

LFO Recommendation Approve the reduction package.

LFO Recommended	-	-	(1,819,762)	-	-	-	(1,819,762)	(4)	(4.00)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	123,215,182	-	-	-	123,215,182	161	160.82
2013-15 Ebds, SS & Admin Act	-	-	845,283	-	-	-	845,283	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	124,060,465	-	-	-	124,060,465	161	160.82
2013-15 Leg Approved Budget (Base)	-	-	124,060,465	-	-	-	124,060,465	161	160.82
Summary of Base Adjustments	-	-	4,248	-	-	-	4,248	(1)	(2.24)
2015-17 Base Budget	-	-	124,064,713	-	-	-	124,064,713	160	158.58
010: Non-PICS Pers Svc/Vacancy Factor	-	-	187,705	-	-	-	187,705	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	7,851,872	-	-	-	7,851,872	-	-
030: Inflation & Price List Adjustments	-	-	2,895,515	-	-	-	2,895,515	-	-
2015-17 Current Service Level	-	-	134,999,805	-	-	-	134,999,805	160	158.58
070: Revenue Reductions/Shortfall	-	-	(302,291)	-	-	-	(302,291)	(2)	(2.00)
Adjusted 2015-17 Current Service Level	-	-	134,697,514	-	-	-	134,697,514	158	156.58
2015-17 Legislative Actions	-	-	134,697,514	-	-	-	134,697,514	158	156.58
Net change from 2013-15 Leg Approved Budget	-	-	10,637,049	-	-	-	10,637,049	(3)	(4.24)
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	8.6%	0.0%	0.0%	0.0%	8.6%	(1.9%)	(2.6%)
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 070 Revenue Shortfalls

Package Description This revenue shortfall package reduces agency expenditures and positions as part of ODOT's right-sizing process to align ongoing expenses with ongoing revenues.

LFO Recommendation Approve the revenue reduction.

LFO Recommended	-	-	(302,291)	-	-	-	(302,291)	(2)	(2.00)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	824,553,621	-	-	-	824,553,621	134	134.30
2013-15 Ebds, SS & Admin Act	-	-	840,158	-	-	-	840,158	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	825,393,779	-	-	-	825,393,779	134	134.30
2013-15 Leg Approved Budget (Base)	-	-	825,393,779	-	-	-	825,393,779	134	134.30
Summary of Base Adjustments	-	-	11,073,061	-	-	-	11,073,061	53	52.20
2015-17 Base Budget	-	-	836,466,840	-	-	-	836,466,840	187	186.50
010: Non-PICS Pers Svc/Vacancy Factor	-	-	535,635	-	-	-	535,635	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(535,548,661)	-	-	-	(535,548,661)	-	-
030: Inflation & Price List Adjustments	-	-	8,281,719	-	-	-	8,281,719	-	-
060: Technical Adjustments	-	-	(200,000)	-	-	-	(200,000)	-	-
2015-17 Current Service Level	-	-	309,535,533	-	-	-	309,535,533	187	186.50
070: Revenue Reductions/Shortfall	-	-	(4,509,966)	-	-	-	(4,509,966)	(19)	(19.00)
Adjusted 2015-17 Current Service Level	-	-	305,025,567	-	-	-	305,025,567	168	167.50
2015-17 Legislative Actions	-	-	305,025,567	-	-	-	305,025,567	168	167.50
Net change from 2013-15 Leg Approved Budget	-	-	(520,368,212)	-	-	-	(520,368,212)	34	33.20
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	(63.0%)	0.0%	0.0%	0.0%	(63.0%)	25.4%	24.7%
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 070 Revenue Shortfalls

Package Description This revenue shortfall package reduces agency expenditures and positions as part of ODOT's right-sizing process to align ongoing expenses with ongoing revenues.

LFO Recommendation Approve the reduction.

LFO Recommended	-	-	(4,509,966)	-	-	-	(4,509,966)	(19)	(19.00)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	226,706,905	-	-	-	226,706,905	636	623.63
2013-15 Ebds, SS & Admin Act	-	-	3,814,597	-	-	-	3,814,597	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	230,521,502	-	-	-	230,521,502	636	623.63
2013-15 Leg Approved Budget (Base)	-	-	230,521,502	-	-	-	230,521,502	636	623.63
Summary of Base Adjustments	-	-	(1,171,425)	-	-	-	(1,171,425)	(16)	(11.86)
2015-17 Base Budget	-	-	229,350,077	-	-	-	229,350,077	620	611.77
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(46,813)	-	-	-	(46,813)	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	42,357,083	-	-	-	42,357,083	-	-
030: Inflation & Price List Adjustments	-	-	3,322,568	-	-	-	3,322,568	-	-
060: Technical Adjustments	-	-	148,000	-	-	-	148,000	-	-
2015-17 Current Service Level	-	-	275,130,915	-	-	-	275,130,915	620	611.77
070: Revenue Reductions/Shortfall	-	-	(3,717,287)	-	-	-	(3,717,287)	(25)	(25.00)
Adjusted 2015-17 Current Service Level	-	-	271,413,628	-	-	-	271,413,628	595	586.77
Total LFO Recommended Packages	-	-	(10,764,368)	-	-	-	(10,764,368)	(16)	(16.00)
2015-17 Legislative Actions	-	-	260,649,260	-	-	-	260,649,260	579	570.77
Net change from 2013-15 Leg Approved Budget	-	-	30,127,758	-	-	-	30,127,758	(57)	(52.86)
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	13.1%	0.0%	0.0%	0.0%	13.1%	(9.0%)	(8.5%)
Net change from 2015-17 Current Service Level	-	-	(10,764,368)	-	-	-	(10,764,368)	(16)	(16.00)
Percent change from 2015-17 Current Service Level	0.0%	0.0%	(4.0%)	0.0%	0.0%	0.0%	(4.0%)	(2.7%)	(2.7%)

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 070 Revenue Shortfalls

Package Description This revenue shortfall package reduces agency expenditures and positions as part of ODOT's right-sizing process to align ongoing expenses with ongoing revenues.

LFO Recommendation Approve the revenue reduction.

LFO Recommended	-	-	(3,717,287)	-	-	-	(3,717,287)	(25)	(25.00)
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Special Programs

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description This action moves 1.00 FTE position from Highway Special Programs into the Rail Division to support Rail Safety and Compliance; and moves 1.00 FTE position into Central Services' Procurement program in order to align the purchasing function centrally within the agency.

LFO Recommendation Approve the position moves.

LFO Recommended	-	-	(417,779)	-	-	-	(417,779)	(2)	(2.00)
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Special Programs

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 803 Program Reorganization

Package Description During the 2013-15 biennium, an ODOT agency reorganization moved the Office of Innovative Partnerships into the Central Services Division. This program now reports directly to ODOT's Assistant Director. This technical adjustment moves the budget and positions associated with this program from the Highway Division into the Central Services Division.

The same reorganization moved the Road User Charge (OREGO) program's operations from the Highway Division into Central Services. The Business Services organization within the Central Services Division will provide operational support for OREGO for billing, reporting, and technical and operational issues. This technical adjustment moves the budget and positions associated with this program from the Highway Division into the Central Services Division.

In total, \$10,346,589 and 14 positions (14.00 FTE) are moved from the Highway Division to Central Services for no net change in ODOT's budget. These technical adjustments align resources to the agency's current organizational structure.

LFO Recommendation LFO recommends approval of this adjustment.

LFO Recommended	-	-	(10,346,589)	-	-	-	(10,346,589)	(14)	(14.00)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	367,275,167	-	-	-	367,275,167	33	33.20
2013-15 Ebds, SS & Admin Act	-	-	215,201	-	-	-	215,201	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	367,490,368	-	-	-	367,490,368	33	33.20
2013-15 Leg Approved Budget (Base)	-	-	367,490,368	-	-	-	367,490,368	33	33.20
Summary of Base Adjustments	-	-	298,245	-	-	-	298,245	1	0.80
2015-17 Base Budget	-	-	367,788,613	-	-	-	367,788,613	34	34.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	34,869	-	-	-	34,869	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	19,102,570	-	-	-	19,102,570	-	-
030: Inflation & Price List Adjustments	-	-	10,982,309	-	-	-	10,982,309	-	-
2015-17 Current Service Level	-	-	397,908,361	-	-	-	397,908,361	34	34.00
Adjusted 2015-17 Current Service Level	-	-	397,908,361	-	-	-	397,908,361	34	34.00
2015-17 Legislative Actions	-	-	397,908,361	-	-	-	397,908,361	34	34.00
Net change from 2013-15 Leg Approved Budget	-	-	30,417,993	-	-	-	30,417,993	1	0.80
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	8.3%	0.0%	0.0%	0.0%	8.3%	3.0%	2.4%
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	100,000	-	169,164,828	3,487,151	-	-	172,751,979	848	825.09
2013-15 Ebds, SS & Admin Act	-	-	3,708,563	-	-	-	3,708,563	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	100,000	-	172,873,391	3,487,151	-	-	176,460,542	848	825.09
2013-15 Leg Approved Budget (Base)	100,000	-	172,873,391	3,487,151	-	-	176,460,542	848	825.09
Summary of Base Adjustments	435	-	(2,500,797)	-	-	-	(2,500,362)	1	3.16
2015-17 Base Budget	100,435	-	170,372,594	3,487,151	-	-	173,960,180	849	828.25
010: Non-PICS Pers Svc/Vacancy Factor	3,913	-	955,339	-	-	-	959,252	-	-
020: Phase In / Out Pgm & One-time Cost	(52,513)	-	(342,265)	-	-	-	(394,778)	-	-
030: Inflation & Price List Adjustments	-	-	1,911,524	111,481	-	-	2,023,005	-	-
060: Technical Adjustments	-	-	(1,048,985)	-	-	-	(1,048,985)	-	-
2015-17 Current Service Level	51,835	-	171,848,207	3,598,632	-	-	175,498,674	849	828.25
070: Revenue Reductions/Shortfall	-	-	(2,355,420)	-	-	-	(2,355,420)	-	-
Adjusted 2015-17 Current Service Level	51,835	-	169,492,787	3,598,632	-	-	173,143,254	849	828.25
Total LFO Recommended Packages	-	-	36,183,287	-	-	-	36,183,287	41	28.91
2015-17 Legislative Actions	51,835	-	205,676,074	3,598,632	-	-	209,326,541	890	857.16
Net change from 2013-15 Leg Approved Budget	(48,165)	-	32,802,683	111,481	-	-	32,865,999	42	32.07
Percent change from 2013-15 Leg Approved Budget	(48.2%)	0.0%	19.0%	3.2%	0.0%	0.0%	18.6%	5.0%	3.9%
Net change from 2015-17 Current Service Level	-	-	36,183,287	-	-	-	36,183,287	41	28.91
Percent change from 2015-17 Current Service Level	0.0%	0.0%	21.4%	0.0%	0.0%	0.0%	20.9%	4.8%	3.5%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 070 Revenue Shortfalls

Package Description This revenue shortfall package reduces agency expenditures and positions as part of ODOT's right-sizing process to align ongoing expenses with ongoing revenues.

LFO Recommendation Approve the revenue reduction.

LFO Recommended	-	-	(2,355,420)	-	-	-	(2,355,420)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 140 DMV Systems Modernization

Package Description This package provides the resources to modernize the information systems used by the Driver and Motor Vehicles Services Division (DMV). The main DMV computer systems were designed and built starting in the 1960's continuing over the next thirty years. This limits the agency's ability to meet customer expectations and operate efficiently. The software development language (COBOL) and system architecture have exceeded their expected lifecycle. The aging design of existing DMV systems is at risk of failing to meet current and future business needs resulting in longer wait times and increased manual processes and errors. DMV proposes a phased approach over several years to develop replacement systems that will enable modern business operations and with the flexibility to accommodate changes in policy and procedure. Modern functionality and web-based services will make it easier to do business with DMV, reduce error rates and manual processes, and improve communication with DMV customers.

Based on work by the firm Mathtech in 2013, DMV recommends proceeding with a strategy and approach outlined in their systems modernization strategic plan. The blueprint is comprised of three layers. Each layer is a logical grouping of subsystems and functions. The recommended approach combines Commercial Off-The-Shelf (COTS) components with custom development. Custom software would be developed for functions where a commercial solution is not available.

Implementing this strategy and approach will require approximately ten years and \$90 million to complete. Recent planning calculates the 2015-17 biennial need at 48 positions split between the Information Systems and DMV business organizations, and approximately \$32 million including the acquisition of a Vehicles "core system" replacement. The package increases the number of project managers and project support staff available to facilitate projects. This package also requests a combination of contracted and state software development employees and supporting technical roles to staff the projects planned for the 2015-17 biennium.

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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LFO Recommendation The Legislative Fiscal Office (LFO) recommends incremental, conditional approval of Policy Option Package #140. LFO recommends that ODOT:

- Continue to work closely with and regularly report project status to the Office of the State Chief Information Officer (OSCIO) and the LFO throughout the project's lifecycle.
- Continue to follow the Joint State CIO/LFO Stage Gate Review Process.
- Update the STP Business Case and develop/update associated cost benefit & alternatives analysis documents for program subprojects.
- Hire/appoint or contract for qualified project management services with experience in planning and managing programs and projects of this type, scope and magnitude.
- Develop foundational STP program and project management documents.
- Work with the OSCIO to contract with an independent quality management services to:
 - Conduct an STP initial risk assessment
 - Perform quality control reviews on the STP Business case, individual cost benefit/alternatives analysis documents, and foundational project management documents as appropriate.
 - Perform ongoing, independent quality management services as directed by the OSCIO.
- Submit the updated STP business case, project management documents, initial risk assessment and quality control reviews to the OSCIO and LFO for Stage Gate Review.

LFO Recommended	-	-	30,446,463	-	-	-	30,446,463	42	29.91
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 150 DMV Credit/Debit Acceptance

Package Description DMV is preparing to accept debit and credit cards for payments in field offices by the end of the 2013-15 biennium. This package provides for the continuation of DMV field office acceptance of debit and credit cards in DMV field offices throughout the state through the 2015-17 biennium. By accepting payment with debit and credit cards, DMV pays “merchant” fees to the credit associations. These fees are projected to cost an average of 2% of the transaction amount, but vary depending on the type of card the customer uses. DMV forecasts these fees to cost from \$5.8 to \$6.7 million in 2015-17.

LFO Recommendation Approve the package.

LFO Recommended	-	-	6,326,417	-	-	-	6,326,417	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description This package contains two technical adjustments to the DMV Division: 1) it eliminates the 2013 Session SB 833 Driver ID card Other Fund limitation of \$386,236 due to repeal of the law; and 2) it moves 1.00 FTE Operations and Policy Analyst 2 position from DMV Program Services to Central Services' Facilities Operations program to serve as the agency's Energy Analyst.

LFO Recommendation Approve the reduction and the position move.

LFO Recommended	-	-	(589,593)	-	-	-	(589,593)	(1)	(1.00)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	59,044,295	5,721,455	-	-	64,765,750	303	303.00
2013-15 Ebds, SS & Admin Act	-	-	1,359,253	28,356	-	-	1,387,609	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	60,403,548	5,749,811	-	-	66,153,359	303	303.00
2013-15 Leg Approved Budget (Base)	-	-	60,403,548	5,749,811	-	-	66,153,359	303	303.00
Summary of Base Adjustments	-	-	(1,748,407)	54,953	-	-	(1,693,454)	(20)	(20.00)
2015-17 Base Budget	-	-	58,655,141	5,804,764	-	-	64,459,905	283	283.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	401,365	14,649	-	-	416,014	-	-
030: Inflation & Price List Adjustments	-	-	490,431	143,979	-	-	634,410	-	-
060: Technical Adjustments	-	-	(73,196)	-	-	-	(73,196)	-	-
2015-17 Current Service Level	-	-	59,473,741	5,963,392	-	-	65,437,133	283	283.00
Adjusted 2015-17 Current Service Level	-	-	59,473,741	5,963,392	-	-	65,437,133	283	283.00
Total LFO Recommended Packages	-	-	547,252	(547,252)	-	-	-	-	-
2015-17 Legislative Actions	-	-	60,020,993	5,416,140	-	-	65,437,133	283	283.00
Net change from 2013-15 Leg Approved Budget	-	-	(382,555)	(333,671)	-	-	(716,226)	(20)	(20.00)
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	(0.6%)	(5.8%)	0.0%	0.0%	(1.1%)	(6.6%)	(6.6%)
Net change from 2015-17 Current Service Level	-	-	547,252	(547,252)	-	-	-	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.9%	(9.2%)	0.0%	0.0%	0.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description This technical adjustment shifts four positions (3.17 FTE) from Federal Funds to Other Funds to reflect the loss of the Motor Carrier Division's federal Motor Carrier Safety Assistance Program (MCSAP) Basic and Incentive grant, which funded commercial vehicle safety.

Over time, ODOT's efforts to reduce truck at-fault accidents have diverged from the requirements of and funding from the grant. ODOT can continue to perform all of the safety-related work that the Motor Carrier Division presently performs, without having to generate grant-funded work products that do not directly support the mission of reducing truck at-fault accidents.

Changes in administrative overhead costs and changes to the program requirements have made this grant-funded program relatively more costly and less valuable. The positions formerly funded by the grant will continue to focus on truck safety activities. The non-personal services in the budget are primarily used to fund enforcement and inspection activities by local law enforcement and by OSP.

LFO Recommendation Approve the fund shift.

LFO Recommended	-	-	547,252	(547,252)	-	-	-	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	223,919,972	175,308	-	-	224,095,280	233	224.43
2013-15 Ebds, SS & Admin Act	-	-	1,363,249	2,170	-	-	1,365,419	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	225,283,221	177,478	-	-	225,460,699	233	224.43
2013-15 Leg Approved Budget (Base)	-	-	225,283,221	177,478	-	-	225,460,699	233	224.43
Summary of Base Adjustments	-	-	808,258	4,167	-	-	812,425	2	1.42
2015-17 Base Budget	-	-	226,091,479	181,645	-	-	226,273,124	235	225.85
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(17,989)	288	-	-	(17,701)	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(94,815,718)	-	-	-	(94,815,718)	-	-
030: Inflation & Price List Adjustments	-	-	2,577,432	1,172	-	-	2,578,604	-	-
060: Technical Adjustments	-	-	109,620	-	-	-	109,620	-	-
2015-17 Current Service Level	-	-	133,944,824	183,105	-	-	134,127,929	235	225.85
070: Revenue Reductions/Shortfall	-	-	(1,381,324)	(4,125)	-	-	(1,385,449)	(5)	(5.00)
Adjusted 2015-17 Current Service Level	-	-	132,563,500	178,980	-	-	132,742,480	230	220.85
Total LFO Recommended Packages	-	-	(224,106)	-	-	-	(224,106)	(1)	(1.00)
2015-17 Legislative Actions	-	-	132,339,394	178,980	-	-	132,518,374	229	219.85
Net change from 2013-15 Leg Approved Budget	-	-	(92,943,827)	1,502	-	-	(92,942,325)	(4)	(4.58)
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	(41.3%)	0.9%	0.0%	0.0%	(41.2%)	(1.7%)	(2.0%)
Net change from 2015-17 Current Service Level	-	-	(224,106)	-	-	-	(224,106)	(1)	(1.00)
Percent change from 2015-17 Current Service Level	0.0%	0.0%	(0.2%)	0.0%	0.0%	0.0%	(0.2%)	(0.4%)	(0.5%)

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 070 Revenue Shortfalls

Package Description This revenue shortfall package reduces agency expenditures and positions as part of ODOT's right-sizing process to align ongoing expenses with ongoing revenues.

LFO Recommendation Approve the reduction package.

LFO Recommended	-	-	(1,381,324)	(4,125)	-	-	(1,385,449)	(5)	(5.00)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description This action moves 1.00 FTE position from the Transportation Development Program into the Rail Division to support Rail Safety and Compliance.

LFO Recommendation Approve the position move.

LFO Recommended	-	-	(224,106)	-	-	-	(224,106)	(1)	(1.00)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	1,960,000	-	31,732,117	54,849,181	-	-	88,541,298	16	16.45
2013-15 Ebds, SS & Admin Act	10,680,000	-	138,948	(43,100)	-	-	10,775,848	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	12,640,000	-	31,871,065	54,806,081	-	-	99,317,146	16	16.45
2013-15 Leg Approved Budget (Base)	10,960,000	-	31,871,065	54,806,081	-	-	97,637,146	16	16.45
Summary of Base Adjustments	-	-	729,824	(33,792)	-	-	696,032	3	2.55
2015-17 Base Budget	10,960,000	-	32,600,889	54,772,289	-	-	98,333,178	19	19.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	37,523	16,813	-	-	54,336	-	-
020: Phase In / Out Pgm & One-time Cost	(1,960,000)	-	(3,562,986)	-	-	-	(5,522,986)	-	-
030: Inflation & Price List Adjustments	270,000	-	762,394	1,649,512	-	-	2,681,906	-	-
050: Fundshifts and Revenue Reductions	-	-	615,484	(615,484)	-	-	-	-	-
2015-17 Current Service Level	9,270,000	-	30,453,304	55,823,130	-	-	95,546,434	19	19.00
070: Revenue Reductions/Shortfall	-	-	(104,268)	-	-	-	(104,268)	-	-
Adjusted 2015-17 Current Service Level	9,270,000	-	30,349,036	55,823,130	-	-	95,442,166	19	19.00
2015-17 Legislative Actions	9,270,000	-	30,349,036	55,823,130	-	-	95,442,166	19	19.00
Net change from 2013-15 Leg Approved Budget	(3,370,000)	-	(1,522,029)	1,017,049	-	-	(3,874,980)	3	2.55
Percent change from 2013-15 Leg Approved Budget	(26.7%)	0.0%	(4.8%)	1.9%	0.0%	0.0%	(3.9%)	18.8%	15.5%
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 070 Revenue Shortfalls

Package Description This revenue shortfall package reduces agency expenditures and positions as part of ODOT's right-sizing process to align ongoing expenses with ongoing revenues.

LFO Recommendation Approve the revenue reduction.

LFO Recommended	-	-	(104,268)	-	-	-	(104,268)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	38,953,957	36,888,157	-	-	75,842,114	25	25.00
2013-15 Ebds, SS & Admin Act	-	-	188,872	-	-	-	188,872	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	39,142,829	36,888,157	-	-	76,030,986	25	25.00
2013-15 Leg Approved Budget (Base)	-	-	39,142,829	36,888,157	-	-	76,030,986	25	25.00
Summary of Base Adjustments	-	-	867,828	-	-	-	867,828	3	3.00
2015-17 Base Budget	-	-	40,010,657	36,888,157	-	-	76,898,814	28	28.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(24,128)	-	-	-	(24,128)	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(22,600,000)	(15,408,000)	-	-	(38,008,000)	-	-
030: Inflation & Price List Adjustments	-	-	366,238	817,326	-	-	1,183,564	-	-
050: Fundshifts and Revenue Reductions	-	-	(254,428)	254,428	-	-	-	-	-
2015-17 Current Service Level	-	-	17,498,339	22,551,911	-	-	40,050,250	28	28.00
070: Revenue Reductions/Shortfall	-	-	(172,707)	-	-	-	(172,707)	-	-
Adjusted 2015-17 Current Service Level	-	-	17,325,632	22,551,911	-	-	39,877,543	28	28.00
Total LFO Recommended Packages	10,408,710	-	13,930,242	3,700,000	-	-	28,038,952	2	2.00
2015-17 Legislative Actions	10,408,710	-	31,255,874	26,251,911	-	-	67,916,495	30	30.00
Net change from 2013-15 Leg Approved Budget	10,408,710	-	(7,886,955)	(10,636,246)	-	-	(8,114,491)	5	5.00
Percent change from 2013-15 Leg Approved Budget	100.0%	0.0%	(20.2%)	(28.8%)	0.0%	0.0%	(10.7%)	20.0%	20.0%
Net change from 2015-17 Current Service Level	10,408,710	-	13,930,242	3,700,000	-	-	28,038,952	2	2.00
Percent change from 2015-17 Current Service Level	100.0%	0.0%	80.4%	16.4%	0.0%	0.0%	70.3%	7.1%	7.1%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 160 Passenger Rail

Package Description This policy option package maintains the current service level of the Amtrak Cascades intercity passenger rail service between Portland and Eugene. The service includes two daily round trips between Eugene and Portland, four daily round trips between Portland and Seattle, and two daily round trips between Seattle and Vancouver, British Columbia. Oregon’s portion of the cost is covered in part with dedicated funds from the sale of custom license plates and from other non-Highway Fund revenues, but these amounts fall well short of the full cost of operating the service in 2015-17. This package provides revenues of \$10,408,710 of General Fund, \$3.7 million in one-time Federal Funds, and \$4.2 million in one-time Other Funds to balance the program’s costs for 2015-17.

LFO Recommendation Approve the package.

LFO Recommended	10,408,710	-	4,200,000	3,700,000	-	-	18,308,710	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description This action moves 1.00 FTE position from the Transportation Program Development program and 1.00 FTE position from Highway Special Programs into the Rail Division to support rail safety and compliance.

LFO Recommendation Approve the position moves.

LFO Recommended	-	-	430,242	-	-	-	430,242	2	2.00
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 802 Coos Bay Rail Line

Package Description SB 5533 (2013) authorized \$10 million in Lottery Bonds for distribution to the Oregon International Port of Coos Bay for acquiring, constructing, or improving the Coos Bay rail link. This bond sale occurred in the spring of 2015, and expenditure limitation is needed for 2015-17 in order to disburse the proceeds to the Port of Coos Bay for the project.

SB 5533 specified that "...\$10 million in net proceeds and interest earnings must be transferred to the Department of Transportation for deposit in the DOT Economic Development Distributions Fund established in section 24 of this 2013 Act for distribution to the Oregon International Port of Coos Bay for the purpose of acquiring, constructing or improving the Coos Bay rail link, as defined in ORS 777.915."

LFO Recommendation Approve the package.

LFO Recommended	-	-	9,300,000	-	-	-	9,300,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	14,314,458	18,092,743	-	-	32,407,201	25	25.00
2013-15 Ebds, SS & Admin Act	-	-	66,674	82,201	-	-	148,875	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	14,381,132	18,174,944	-	-	32,556,076	25	25.00
2013-15 Leg Approved Budget (Base)	-	-	14,381,132	18,174,944	-	-	32,556,076	25	25.00
Summary of Base Adjustments	-	-	811,026	37,077	-	-	848,103	3	3.00
2015-17 Base Budget	-	-	15,192,158	18,212,021	-	-	33,404,179	28	28.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	56,949	42,584	-	-	99,533	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	2,000,000	-	-	-	2,000,000	-	-
030: Inflation & Price List Adjustments	-	-	363,316	483,036	-	-	846,352	-	-
060: Technical Adjustments	-	-	106,387	-	-	-	106,387	-	-
2015-17 Current Service Level	-	-	17,718,810	18,737,641	-	-	36,456,451	28	28.00
070: Revenue Reductions/Shortfall	-	-	(91,197)	(67,693)	-	-	(158,890)	-	-
Adjusted 2015-17 Current Service Level	-	-	17,627,613	18,669,948	-	-	36,297,561	28	28.00
2015-17 Legislative Actions	-	-	17,627,613	18,669,948	-	-	36,297,561	28	28.00
Net change from 2013-15 Leg Approved Budget	-	-	3,246,481	495,004	-	-	3,741,485	3	3.00
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	22.6%	2.7%	0.0%	0.0%	11.5%	12.0%	12.0%
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 070 Revenue Shortfalls

Package Description This revenue shortfall package reduces agency expenditures and positions as part of ODOT's right-sizing process to align ongoing expenses with ongoing revenues.

LFO Recommendation Approve the reduction package.

LFO Recommended	-	-	(91,197)	(67,693)	-	-	(158,890)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	93,953,970	464,052,646	-	-	21,621,529	579,628,145	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	714,696,648	-	714,696,648	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	93,953,970	464,052,646	-	714,696,648	21,621,529	1,294,324,793	-	-
2013-15 Leg Approved Budget (Base)	-	93,953,970	464,052,646	-	265,642,112	21,621,529	845,270,257	-	-
Summary of Base Adjustments	7,967,450	20,901,777	(21,941,823)	-	(265,642,112)	-	(258,714,708)	-	-
2015-17 Base Budget	7,967,450	114,855,747	442,110,823	-	-	21,621,529	586,555,549	-	-
2015-17 Current Service Level	7,967,450	114,855,747	442,110,823	-	-	21,621,529	586,555,549	-	-
Adjusted 2015-17 Current Service Level	7,967,450	114,855,747	442,110,823	-	-	21,621,529	586,555,549	-	-
Total LFO Recommended Packages	-	(7,371,607)	-	-	-	-	(7,371,607)	-	-
2015-17 Legislative Actions	7,967,450	107,484,140	442,110,823	-	-	21,621,529	579,183,942	-	-
Net change from 2013-15 Leg Approved Budget	7,967,450	13,530,170	(21,941,823)	-	(714,696,648)	-	(715,140,851)	-	-
Percent change from 2013-15 Leg Approved Budget	100.0%	14.4%	(4.7%)	0.0%	(100.0%)	0.0%	(55.3%)	0.0%	0.0%
Net change from 2015-17 Current Service Level	-	(7,371,607)	-	-	-	-	(7,371,607)	-	-
Percent change from 2015-17 Current Service Level	0.0%	(6.4%)	0.0%	0.0%	0.0%	0.0%	(1.3%)	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 811 Updated Base Debt Service Adjustment

Package Description This package updates Lottery Fund debt service amounts per the Lottery Fund forecast and recent debt refinancings.

LFO Recommendation Approve the reduction.

LFO Recommended	-	(7,371,607)	-	-	-	-	(7,371,607)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	192,333,383	269,486	-	-	192,602,869	498	493.61
2013-15 Ebds, SS & Admin Act	-	-	3,195,206	-	-	-	3,195,206	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	195,528,589	269,486	-	-	195,798,075	498	493.61
2013-15 Leg Approved Budget (Base)	-	-	195,528,589	269,486	-	-	195,798,075	498	493.61
Summary of Base Adjustments	-	-	194,460	-	-	-	194,460	(3)	(3.11)
2015-17 Base Budget	-	-	195,723,049	269,486	-	-	195,992,535	495	490.50
010: Non-PICS Pers Svc/Vacancy Factor	-	-	2,554,769	-	-	-	2,554,769	-	-
030: Inflation & Price List Adjustments	-	-	9,443,480	8,835	-	-	9,452,315	-	-
060: Technical Adjustments	-	-	318,201	-	-	-	318,201	(1)	(1.00)
2015-17 Current Service Level	-	-	208,039,499	278,321	-	-	208,317,820	494	489.50
070: Revenue Reductions/Shortfall	-	-	(2,987,252)	-	-	-	(2,987,252)	(11)	(11.00)
Adjusted 2015-17 Current Service Level	-	-	205,052,247	278,321	-	-	205,330,568	483	478.50
Total LFO Recommended Packages	-	-	10,761,589	-	-	-	10,761,589	16	16.00
2015-17 Legislative Actions	-	-	215,813,836	278,321	-	-	216,092,157	499	494.50
Net change from 2013-15 Leg Approved Budget	-	-	20,285,247	8,835	-	-	20,294,082	1	0.89
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	10.4%	3.3%	0.0%	0.0%	10.4%	0.2%	0.2%
Net change from 2015-17 Current Service Level	-	-	10,761,589	-	-	-	10,761,589	16	16.00
Percent change from 2015-17 Current Service Level	0.0%	0.0%	5.3%	0.0%	0.0%	0.0%	5.2%	3.3%	3.3%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 070 Revenue Shortfalls

Package Description This revenue shortfall package reduces agency expenditures and positions as part of ODOT's right-sizing process to align ongoing expenses with ongoing revenues.

LFO Recommendation Approve the reduction package.

LFO Recommended	-	-	(2,987,252)	-	-	-	(2,987,252)	(11)	(11.00)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description This technical adjustment changes the revenue account code used for the Department of Aviation's payment to ODOT for business services. These services include Human Resources, Procurement, Finance, Payroll, Internal Auditing, and Information Technology. The account code correction enables an audit function in the budget system to ensure that dollar amounts match in both the sending and the receiving agency. Admin & Service charge revenues are reduced both to reflect the account code change and to correct the estimate of revenues expected to be received. This action does not change expenditure limitation.

This action also reflects two position moves into Central Services: 1.00 FTE is moved from DMV Program Services to Central Services' Facilities Operations to serve as the agency's Energy Analyst; and 1.00 FTE is moved from Highway Special Programs to Central Services' Procurement program in order to align purchasing positions centrally in the agency.

LFO Recommendation Approve the correction and the position moves.

LFO Recommended	-	-	415,000	-	-	-	415,000	2	2.00
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 803 Program Reorganization

Package Description During the 2013-15 biennium, an ODOT agency reorganization moved the Office of Innovative Partnerships into the Central Services Division. This program now reports directly to ODOT's Assistant Director. This technical adjustment moves the budget and positions associated with this program from the Highway Division into the Central Services Division.

The same reorganization moved the Road User Charge (OREGO) program's operations from the Highway Division into Central Services. The Business Services organization within the Central Services Division will provide operational support for OREGO for billing, reporting, and technical and operational issues. This technical adjustment moves the budget and positions associated with this program from the Highway Division into the Central Services Division.

In total, \$10,346,589 and 14 positions (14.00 FTE) are moved from the Highway Division to Central Services for no net change in ODOT's budget. These technical adjustments align resources to the agency's current organizational structure.

LFO Recommendation LFO recommends approval of this adjustment.

LFO Recommended	-	-	10,346,589	-	-	-	10,346,589	14	14.00
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Legislatively Proposed 2015-2017 Key Performance Measures

Agency: **TRANSPORTATION, DEPARTMENT of**

Mission: Mission for ODOT: To provide a safe, efficient transportation system that supports economic opportunity and livable communities for Oregonians. **Our Values:** These are the values that guide our decision making and which we follow in implementing ODOT's mission and goals.

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Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
- Bridge Condition: Percent of state highway bridges that are not "distressed"		Proposed New KPM		78.00	78.00
- DMV Field Office Wait Time – Percentage of DMV Field Office Customers Served within 20 Minutes		Proposed New KPM		70.00	70.00
2 - Traffic Injuries: Traffic injuries per 100 million vehicles miles traveled (VMT).		Proposed Delete KPM	109.00	89.72	87.02
3 - Impaired Driving: Percent of fatal traffic accidents that involved alcohol.		Proposed Delete KPM	37.00	35.00	35.00
4 - Use of Safety Belts: Percent of all vehicle occupants using safety belts.		Proposed Delete KPM	97.00	99.00	99.00
12 - Intercity Passenger Service: Percent of Oregon communities of 2,500 or more with intercity bus or rail passenger service.		Proposed Delete KPM	94.00	100.00	100.00
13 - Alternatives to One-Person Commuting: Percent of Oregonians who commute to work during peak hours by means other than Single Occupancy Vehicles.		Proposed Delete KPM	33.10	35.00	35.00
24 - DMV Customer Services: Field office wait time (in minutes).		Proposed Delete KPM	15.40	15.00	15.00

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Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
1 - Traffic Fatalities: Traffic fatalities per 100 million vehicles miles traveled (VMT).		Approved KPM	1.01	0.87	0.84
5 - Large Truck At-Fault Crashes: Number of large truck at-fault crashes per million vehicle miles traveled (VMT).		Approved KPM	0.40	0.37	0.37
6 - Rail Crossing Incidents: Number of highway-railroad at-grade incidents.		Approved KPM	10.00	10.00	10.00
7 - Derailment Incidents: Number of train derailments caused by human error, track, or equipment.		Approved KPM	10.00	25.00	25.00
8 - Travelers Feel Safe: Percent of public satisfied with transportation safety.		Approved KPM	83.00	75.00	75.00
9 - Travel Delay: Hours of travel delay per capita per year in urban areas.		Approved KPM	24.00	20.00	20.00
10 - Special Transit Rides: Average number of special transit rides per each elderly and disabled Oregonian annually.		Approved KPM	19.00	24.00	24.00
11 - Passenger Rail Ridership: Number of state-supported rail service passengers.		Approved KPM	215,096.00	212,783.00	214,911.00
14 - Jobs from Construction Spending: Number of jobs sustained as a result of annual construction expenditures.		Approved KPM	11,700.00	11,800.00	10,000.00
15 - Pavement Condition: Percent of pavement lane miles rated "fair" or better out of total lane miles in state highway system.		Approved KPM	87.00	85.00	85.00

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Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
16 - Incident Response: Percent of lane blocking crashes cleared within 90 minutes.		Approved KPM	80.00	85.00	85.00
17 - Fish Passage at State Culverts: Number of high priority ODOT culverts remaining to be retrofitted or replaced to improve fish passage.		Approved KPM	190.00	183.00	181.00
18 - Bike Lanes and Sidewalks: Percent of urban state highway miles with bike lanes and pedestrian facilities in "fair" or better condition.		Approved KPM	42.00	50.00	52.00
19 - Timeliness of Projects Going to Construction Phase: Percent of projects going to construction phase within 90 days of target date.		Approved KPM	96.00	90.00	90.00
20 - Construction Project Completion Timeliness: Percent of projects with the construction phase completed within 90 days of original contract completion date.		Approved KPM	76.00	80.00	80.00
21 - Construction Projects On Budget: Percent of original construction authorization spent.		Approved KPM	101.00	99.00	99.00
22 - Certified Businesses (DMWESB*): Percent of ODOT contract dollars awarded to disadvantaged, minority, women, and emerging small businesses.		Approved KPM	8.70	13.10	13.10
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

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Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
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	86.00	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.	Expertise	Approved KPM	89.00	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.	Helpfulness	Approved KPM	89.60	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.	Overall	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.	Timeliness	Approved KPM	87.00	90.00	90.00

LFO Recommendation:

LFO recommends the addition of a new KPM, the deletion of six KPMs, replacement of one current KPM, and approval of the remainder of ODOT's KPMs as presented. The KPM proposed for addition is:

- **Bridge Condition: Percent of state highway bridges that are not "distressed."** This is an agency internal measure that ODOT would like to report as a key performance measure. Bridges "not distressed" means that the bridges have not been identified by the Oregon Bridge Management System as having freight mobility, deterioration, safety or serviceability needs and have not been rated as structurally deficient based on the Federal Highway Administration criteria. Since 2009, ODOT has revised its bridge preservation strategy, moving quickly to repair and/or replace Oregon bridges on high-priority freight corridors. Bridges "not distressed" means that the bridges have not been identified by the Oregon Bridge Management System as having freight mobility, deterioration, safety or serviceability needs and have not been rated as structurally deficient based on the Federal Highway Administration criteria.

The six KPMs proposed for deletion are KPMs 2, 3, 4, 12, and 13. The agency plans to re-work three of these measures to better measure current conditions, to better address federal reporting requirements, and/or to more accurately measure progress toward the desired outcome. Two are proposed to be discontinued, as they either measure activities over which ODOT has no control, or they are not used by the agency as a performance management tool.

The KPM proposed for replacement is KPM #24. Its replacement is:

- **DMV Field Office Wait Time: Percentage of DMV Field Office Customers Served within 20 Minutes.** The proposed replacement KPM provides a constant measure that reflects the actual customer experience and makes several improvements over the current methodology. The current methodology is an average of offices' average wait times, and is not an average of the customer population. As a result, smaller offices with significantly lower wait times and smaller customer counts disproportionately pull down the reported service level. The currently reported statewide average field office wait time is not representative of the customer experience.

LFO recommends approval of the remaining KPMs as presented.

Sub-Committee Action:

**PROPOSED AMENDMENTS TO
HOUSE BILL 5040**

1 On page 1 of the printed bill, line 14, delete “SECITON” and insert
2 “SECTION”.

3 Delete lines 17 through 20.

4 In line 21, delete “6” and insert “5”.

5 On page 2, line 2, delete “\$472,069,791” and insert “\$472,225,417”.

6 In line 3, delete “\$215,979,411” and insert “\$265,980,054”.

7 In line 4, delete “\$204,290,364” and insert “\$204,292,387”.

8 In line 5, delete “\$134,684,171” and insert “\$134,697,514”.

9 In line 6, delete “\$304,999,400” and insert “\$305,025,567”.

10 In line 7, delete “\$271,304,654” and insert “\$260,649,260”.

11 In line 8, delete “\$397,907,840” and insert “\$397,908,361”.

12 In line 10, delete “\$208,511,911” and insert “\$205,676,074”.

13 In line 11, delete “\$60,013,915” and insert “\$60,020,993”.

14 In line 13, delete “\$98,573,935” and insert “\$98,362,474”.

15 In line 14, delete “\$93,395,720” and insert “\$33,976,920”.

16 In line 15, delete “\$30,348,869” and insert “\$30,349,036”.

17 In line 16, delete “\$33,712,992” and insert “\$31,255,874”.

18 In line 17, delete “\$17,627,277” and insert “\$17,627,613”.

19 In line 18, delete “\$200,922,648” and insert “\$215,813,836”.

20 In line 20, delete “7” and insert “6”.

21 In line 22, delete “6” and insert “5”.

22 In line 29, delete “\$55,822,920” and insert “\$55,823,130”.

1 In line 30, delete “\$26,196,036” and insert “\$26,251,911”.

2 In line 31, delete “\$18,669,822” and insert “\$18,669,948”.

3 In line 33, delete “8” and insert “7”.

4 In line 34, delete “\$113,842,213” and insert “\$107,484,140”.

5 In line 37, delete “9” and insert “8”.

6 In line 40, delete “10” and insert “9”.

7 Delete lines 43 through 45 and insert:

8 **“SECTION 10. (1) Notwithstanding any other law limiting expendi-**
9 **tures, the limitation on expenditures established by section 3 (5),**
10 **chapter 556, Oregon Laws 2013, for the operations program, for the**
11 **biennium beginning July 1, 2013, as the maximum limit for payment**
12 **of expenses from fees, moneys or other revenues, including Miscella-**
13 **neous Receipts and federal funds received as reimbursement from the**
14 **United States Department of Transportation, but excluding lottery**
15 **funds and federal funds not described in section 3, chapter 556, Oregon**
16 **Laws 2013, collected or received by the Department of Transportation,**
17 **is increased by \$15,000,000 to fund highway projects being completed**
18 **ahead of schedule in the biennium ending June 30, 2015.**

19 **“(2) Notwithstanding any other law limiting expenditures, the limi-**
20 **tation on expenditures established by section 4 (4), chapter 556, Oregon**
21 **Laws 2013, for public transit, for the biennium beginning July 1, 2013,**
22 **as the maximum limit for payment of expenses from federal funds**
23 **other than those described in section 3, chapter 556, Oregon Laws 2013,**
24 **collected or received by Department of Transportation, is increased**
25 **by \$5,000,000 to complete commitments carried forward from the**
26 **biennium ending June 30, 2013.**

27 **“SECTION 11. This 2015 Act being necessary for the immediate**
28 **preservation of the public peace, health and safety, an emergency is**
29 **declared to exist, and this 2015 Act takes effect on its passage.”.**

30

MEMORANDUM

Legislative Fiscal Office
900 Court St. NE, Room H-178
Salem, Oregon 97301
Phone 503-986-1828
FAX 503-373-7807

To: Transportation and Economic Development Subcommittee
Joint Committee on Ways and Means

From: Information Technology Subcommittee
Joint Committee on Ways and Means

Date: May 14, 2015

Subject: ODOT DMV Service Transformation Program: HB 5040 – POP #140
Information Technology Subcommittee Recommendations

The Information Technology (IT) Subcommittee accepts the LFO recommendation and refers the ODOT DMV Transformation Program request back to the Joint Ways and Means Subcommittee on Transportation and Economic Development without recommendation.

LFO Recommendation: The Legislative Fiscal Office (LFO) recommends incremental, conditional approval of Policy Option Package #140 assuming the funding, spending authority and personnel resources are made available to ODOT DMV within HB 5040. Specifically, LFO recommends that: the proposed funding for planning activities be approved; any remaining expenditure limitation be unscheduled by the Department of Administrative Services; and, ODOT DMV be required to request Joint Committee on Ways and Means or Emergency Board approval that a portion or all of the remaining unscheduled expenditure limitation be rescheduled for agency use to initiate and complete project execution activities. LFO also recommends that ODOT DMV:

- Continue to work closely with and regularly report project status to the Office of the State Chief Information Officer (OSCIO) and the LFO throughout the project's lifecycle.
- Continue to follow the Joint State CIO/LFO Stage Gate Review Process.
- Update the STP Business Case and develop/update associated cost benefit & alternatives analysis documents for program subprojects.
- Hire/appoint or contract for qualified project management services with experience in planning and managing programs and projects of this type, scope and magnitude.
- Develop foundational STP program and project management documents.
- Work with the OSCIO to contract with an independent quality management services to:
 - Conduct an STP initial risk assessment
 - Perform quality control reviews on the STP Business case, individual cost benefit/alternatives analysis documents, and foundational project management documents as appropriate.
 - Perform ongoing, independent quality management services as directed by the OSCIO.
- Submit the updated STP business case, project management documents, initial risk assessment and quality control reviews to the OSCIO and LFO for Stage Gate Review.

- Report back to the Legislature on Service Transformation Program status during the 2016 Annual Legislative Session and/or to interim Legislative committees as required.
- Request Legislative approval to proceed with the Service Transformation Program prior to initiating project execution activities.
- Utilize the OSCIO's Enterprise Project and Portfolio Management system as it is deployed for all project review, approval, and project status and QA reporting activities throughout the life of the Service Transformation Program.