



DATE: February 6, 2017

TO: Senate Committee on Business and Transportation

FROM: Paul Mather, Administrator
ODOT Highway Division

SUBJECT: SB 38 – Jobs and Transportation Act Reallocations

INTRODUCTION

Senate Bill 38 gives the Oregon Transportation Commission the authority to reallocate dollars projects identified in the 2009 Jobs and Transportation Act.

BACKGROUND

The 2009 Legislature passed the Jobs and Transportation Act (JTA) that provided \$960.3 million in bonded revenue for projects identified in the Act and allocated dollars to those projects. The bill also made specific allocations to local governments in Eastern Oregon. Under current law any reallocations of funds must be made by the legislature by law. After this year, of the 51 original projects funded under Section 64 of the JTA only nine projects will still be under construction. Several of those nine are using remaining dollars from the original allocation within the original project boundaries designated by the legislature. As we enter the eighth year of the program, the majority of the projects and the program are nearing completion.

Managing these projects has been a challenge. At the time the program passed, the Bill assumed receiving more than \$140 million in Congressional earmarks for eight of the projects identified in the JTA. Shortly after passage of the Act, Congress stopped earmarking projects. Despite the lack of earmarks, ODOT still managed to complete most projects on or under budget, and still deliver some additional components after scaling back projects. We also delivered most projects either on or ahead of schedule.

WHAT THE BILL DOES

The bill gives the Oregon Transportation Commission the authority to reallocate any remaining funds on projects identified in the Jobs and Transportation Act. The bill requires that the commission first meet transfer obligations that the legislature has previously directed, which directs savings on three of the remaining nine projects.

In addition, the bill sets up criteria that the commission must follow when making any reallocations. The commission may only reallocate remaining funds to projects identified in Section 64 within the same ODOT region as the completed project, following the legislature's previous practice. This further limits the remaining projects to essentially three projects: OR 140, Newberg-Dundee and Sunrise.

Finally, the bill allows the commission to reallocate savings to leveraged federal grant funds. In the federal FAST Act (Fixing America's Surface Transportation Act), a series of large grant programs were set up. To be eligible and competitive for these grants, a significant amount of state funds are required. As these grant opportunities become available, having another source of scarce state funds to potentially leverage large sources of federal funds is extremely helpful.

SUMMARY

Senate Bill 38 gives the Oregon Transportation Commission the authority to reallocate remaining dollars from Jobs and Transportation Projects with very specific criteria, ensuring those dollars are put to use as quickly as possible on critical transportation infrastructure.

Attachment: 2009 JTA Budget and Schedule Status of ODOT-Delivered Projects

**2009 Jobs and Transportation Act
Budget and Schedule Status of ODOT-Delivered Projects**

This document shows the budget and schedule status of only the ODOT-delivered projects identified in Section 64 of the 2009 Jobs and Transportation Act (HB 2001). There are an additional 26 projects delivered by local governments not shown on this list.

Note: Completed projects are shaded.

Project Name	ODOT Region	Total Project Cost	Funds provided by HB 2001 (JTA)	Budget Status	Original Estimated Construction Start	Construction Began (Status)	Comments
US Highway 26 at the Glencoe Road Interchange	1	\$23,000,000	Original Allocation: \$32,000,000 Revised Allocation: \$21,000,000	Under Budget	2013	2012 (Ahead)	
Interstate 84 at the 257th Avenue Interchange	1	\$29,100,000	Original Allocation: \$24,000,000 Revised Allocation: \$27,669,288	Over Budget	2011	2011 (On-time)	\$8.3 million Federal earmark anticipated but not received; added scope to the project.
State Highway 212: Sunrise Corridor, Phase I, Units 1, 2 and 3	1	\$130,000,000	\$100,000,000	Under Budget	2014	2013 (Ahead)	Added scope to the project.
US Highway 26 at the Shute Road Interchange, Phase I	1	\$53,947,687	Original Allocation: \$45,000,000 Revised Allocation: \$51,867,853	Over Budget	2013	2013 (Ahead)	
Interstate 5 at the Interstate 205 Interchange	1	\$7,330,772	Original Allocation: \$11,000,000 Revised Allocation: \$7,330,712	Under Budget	2012	2011 (Ahead)	\$14.35 million federal earmark anticipated but not received

Project Name	ODOT Region	Total Project Cost	Funds provided by HB 2001 (JTA)	Budget Status	Original Estimated Construction Start	Construction Began (Status)	Comments
US Highway 26: Cornelius Pass Road to Cornell Road	1	Phase I \$17,052,313 Phase II \$31,200,000	Original Allocation: \$20,000,000 Revised Allocation: \$24,138,147	On Budget	2011	2010 (Ahead)	Added scope to the project.
Interstate 84 at the Hood River Interchange	1	\$14,303,000	\$10,000,000	On Budget	2013	2010 (Ahead)	Added scope to the project.
State Highway 6 at US Highway 101	2	\$33,051,800	Original Allocation: \$27,000,000 Revised Allocation: \$28,843,250	Over Budget	2017	2016 (Ahead)	
State Highway 99W: Newberg and Dundee Bypass, Phase I	2	\$248,321,000	\$192,000,000	On Budget	2016	2013 (Ahead)	\$30 million federal earmark anticipated but not received; added scope to the project.
Interstate 5 at the State Highway 214 Interchange	2	\$72,352,215	Original Allocation: \$43,000,000 Revised Allocation: \$47,656,750	Under Budget	2015	2013 (Ahead)	\$30 million federal earmark anticipated but not received.
Interstate 5 at Beltline Highway, Units 3, 4, 5, 6 and 7	2	\$64,000,000	Original Allocation: \$80,000,000 Revised Allocation: \$64,000,000	Under Budget	2010	2010 (On-time)	\$30 million federal earmark anticipated but not received.
Beltline Highway at Delta Highway	2	\$27,000,000	Original Allocation: \$2,000,000 Revised Allocation: \$8,000,000	On Budget	2012	2012 (On-time)	Added scope to the project.

Project Name	ODOT Region	Total Project Cost	Funds provided by HB 2001 (JTA)	Budget Status	Original Estimated Construction Start	Construction Began (Status)	Comments
Interstate 5 at Kuebler Road, Phase I	2	\$23,746,032	Original Allocation: \$15,000,000 Revised Allocation: \$18,500,000	Over Budget	2011	2015 (Behind)	Unsolicited proposal received which delayed project; added scope to the project.
State Highway 42, county line curves	3	\$18,345,000	\$10,000,000	On Budget	2014	2014 (On-time)	
State Highway 62: Corridor Solution, Phase II	3	\$121,308,494	\$100,000,000	On Budget	2013	2016 (Behind)	Major FAA permit needed which delayed project.
Interstate 5 at the Fern Valley Road Interchange	3	\$69,834,446	\$25,000,000	On Budget	2012	2014 (Behind)	\$25 million federal earmark anticipated but not received.
Interstate 5 Sutherlin truck climbing lanes	3	\$13,859,689	\$4,100,000	On Budget	2011	2011 (On-time)	Added scope to the project.
Interstate 5 Sexton truck climbing lanes	3	\$34,199,000	\$10,000,000	On Budget	2012	2013 (Behind)	Intentionally delayed to combine with paving project and leverage federal funds.
Interstate 84 at the US Highway 97 Interchange	4	\$33,976,265	\$19,000,000	On Budget	2012	2013 (Behind)	Added scope to the project.
US Highway 97: Crooked River Bridge to Redmond	4	\$5,852,000	\$2,000,000	On Budget	2011	2009 (Ahead)	
State Highway 140: Klamath Falls to the Nevada state line	4	23,000,000	23,000,000	On Budget	2010-2013	2009 (Ahead)	\$2.6 million in federal earmark anticipated but not received.
Murphy Road at the US Highway 97	4	\$32,213,062	\$25,000,000	On Budget	2011	2013 (Behind)	
US Highway 97: Redmond reroute, Phase II	4	\$5,875,183	\$5,000,000	On Budget	2015	2012 (Ahead)	
Interstate 84 Spring Creek climbing lane in Union County	5	\$5,700,000	\$5,700,000	On Budget	2011	2013 (Behind)	Intentionally delayed to combine with paving project and leverage federal funds.
Vehicle chain-up areas east of Pendleton on Interstate 84	5	\$4,700,000	\$4,700,000	On Budget	2011	2012 (Behind)	Intentionally delayed to combine with paving project and leverage federal funds.