

U.S. DEPARTMENT OF TRANSPORTATION



Federal Highway Administration  
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Salem, Oregon 97301  
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Region 10  
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Seattle, Washington 98174-1002  
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December 2, 2005  
IN REPLY REFER TO

HPL-OR

105.000

X-Ref: 724.412, 724.422,  
724.432, 724.442,  
724.462, 724.472

Ms. Lorna Youngs, Interim Director  
Oregon Department of Transportation  
355 Capitol Street N.E., Room 135  
Salem, Oregon 97301

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DEC 07 2005

ODOT  
HEADQUARTERS

RE: 2006-2009 Statewide Transportation Improvement Program (STIP)

Dear Ms. Lorna Youngs:

In accordance with 23 CFR 450.220, the Federal Transit Administration (FTA) and the Federal Highway Administration (FHWA) have jointly reviewed Oregon's 2006-2009 STIP, as transmitted by your October 5, 2005, letter. The submitted STIP includes the listing of projects, the requisite self certification statement, and an attachment with information on public involvement, air quality conformity, financial plan, revenue sources, and maintenance and operations that support approval.

The FHWA and the FTA, find that the FY 2006-2009 STIP is based on a transportation planning process that substantially meets the requirements of 23 U.S.C. Sections 134 and 135 and 49 U.S.C. Sections 5303-5305. This finding is based on the Oregon Department of Transportation (ODOT) and Metropolitan Planning Organization (MPO) self-certifications of their statewide and metropolitan transportation planning processes, a review of the self-certification supporting documentation, Federal certification of Transportation Management Areas and our involvement in the State and MPO transportation planning processes, including review, approval, and monitoring of the Unified Planning Work Programs and the planning portion of the State Planning and Research work program. Based on our joint review, FHWA and FTA approve Oregon's 2006-2009 STIP subject to the following comments and conditions:

1. This action shall remain valid for a period of two years. Approval of projects in air quality non-attainment or maintenance areas will expire earlier if any of the applicable regional air quality conformity determinations lapse at an earlier date.
2. This action does not commit funds or serve as a Federal approval action for any of the projects or programs included in the STIP.
3. Financial constraint is an extremely critical element of the STIP and federal approval. Financial plan information was included with the STIP submittal; both FTA and FHWA sought additional support. A meeting between FHWA and ODOT was held on October 20 to discuss financial constraint of the highway portion of the STIP. FTA and ODOT communicated via e-mail and phone for financial constraint of the transit portion of the STIP. These additional efforts satisfactorily addressed FTA and FHWA strong interest in ensuring that the STIP is fully funded, but they did add to the STIP approval process and review time, and they do point to the need for



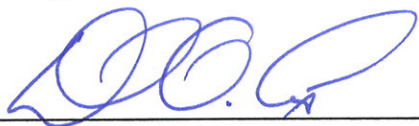
more robust discussion and documentation of financial constraint to be provided with future STIP submittals. ODOT demonstrated that a department-wide budget exists, from which subtractions are made for non-surface transportation divisions, as well as the costs to maintain and operate the existing surface transportation system, to derive the funds available for the projects included in the proposed STIP. The final printed document should reflect the latest revenue information provided during these discussions.

4. Financial constraint is an issue with two sides – revenues and costs. Much attention has been given to the revenue side of the equation. We intend to evaluate the cost side more closely in the future.
5. ODOT's timeline for the 2008-2011 STIP calls for USDOT approval by October 1, 2007. To facilitate that action, a complete STIP should be submitted to FTA and FHWA no later than September 1, 2007. STIPs and Transportation Improvement Programs (TIPs) approved after July 1, 2007 must comply with all SAFETEA-LU planning provisions. Such SAFETEA-LU compliant programs will be updated on a four year cycle or sooner if the Governor elects to do so. Federal approvals on SAFETEA-LU compliant STIPs will be valid for four years.
6. Some TIPs are being incorporated into the STIP while still in a draft stage; 23 CFR 450.216(a) requires that "...TIPs shall be included without modification in the STIP, directly or by reference, once approved by the MPO and the Governor and after needed conformity findings are made." ODOT and the MPOs should work together to improve the timing of TIP and STIP development processes to ensure this requirement is met. TIPs should not be included in the STIP until the official actions on the TIPs are completed.
7. The different formats of the TIPs and STIP make a direct comparison of the TIP and the STIP projects extremely challenging. At our request the MPOs reviewed their TIPs with the draft STIP for consistency and reported their findings to us. An attachment to this letter lists projects that are inconsistent and which must be resolved by either STIP or TIP revision. ODOT's process to include TIP projects into the STIP is manual and sometimes leads to differences between the documents. We strongly encourage ODOT and the MPOs to work together on process improvements towards ensuring the TIPs will be included in the STIP in a more efficient and less error prone manner. ODOT should work with the MPOs on the information and format minimally needed to populate the STIP consistently statewide, which meets local TIP needs. When possible, the ODOT and MPOs should migrate to an electronic transfer of the TIP projects to the STIP, and possibly even utilize the same software.
8. Program changes made after the TIP is adopted/approved by the MPO and Governor and before the federal approval of the STIP shall be processed as an amendment to the STIP. We understand that this "transitional amendment" follows directly after the federal approval, and will be reflected in the final print version of the federally approved STIP. This provides the most accurate snapshot of the STIP at the time of federal approval. We expect to be able to discern the status of the projects included on the attachment and the lists developed jointly by ODOT and MPO STIP coordinators, when the transitional amendment is proposed.
9. Key # 09473 is **excluded** from this STIP approval. This project is listed in the STIP as "Region 2 CMAQ Funding – Oakridge." The CMAQ program requires an emissions reduction benefit to be eligible for CMAQ funding. It is only possible to evaluate CMAQ eligibility when funds are associated with a specific project. CMAQ funds cannot be placed in buckets. We expect Key # 09473 to be removed with the transitional amendment. When a project is identified for this funding that meets CMAQ eligibility, it should be amended into the STIP.
10. At this time, 51 non-administrative amendments to the 2004-2007 STIP have been processed since the federal approval of that STIP in February 2004. Additionally, with the help of the ODOT finance staff, it was determined that 52% of the Federal-aid highway projects slated to go to construction in FY 05, actually advanced to construction in FY 05. While some slippage is unavoidable, we would like to work with you to improve this indicator of the planning and programming process, to decrease non-administrative STIP amendments and increase the percentage of construction projects that advance during the year for which construction is programmed.

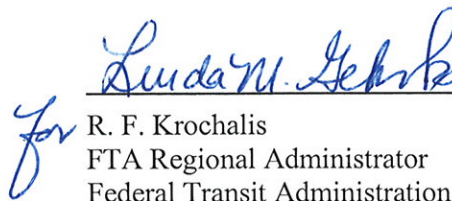
11. Future STIP transmittals should include copies of all approved TIPs to facilitate our review of the documents for consistency.
12. Future STIP transmittal letters (including amendments) should be addressed to both FHWA and FTA. For amendments not requiring joint approval, the appropriate modal agency will take action as appropriate.
13. Much useful information, such as the air quality conformity status and the financial plan/constraint discussion, are included in the attachments to the October 5 submittal letter. We suggest that the attachments be woven into the STIP document so that all essential information is consolidated for easier reading and analysis.
14. FTA and FHWA anticipate meeting with ODOT staff in the first quarter of calendar year 2006 to discuss STIP process improvements that can be incorporated in the development of future STIPs and amendments to facilitate future USDOT approvals.

We recognize the complexity of assembling this STIP and appreciate the continued efforts of your staff and the MPOs in this effort. We look forward to working with you as the projects and programs in the STIP are advanced, and as SAFETEA-LU planning-related provisions are implemented.

Sincerely,



David O. Cox  
FHWA Division Administrator  
Federal Highway Administration



R. F. Krochalis  
FTA Regional Administrator  
Federal Transit Administration

cc:

ODOT (Steve Leep, Finance)  
(Jill Vosper, STIP Coordinator)  
Metro (Andy Cotugno)  
SKATS (Richard Schmid)  
CLMPO (Tom Schwetz)  
RVMPO (Dan Moore)  
CAMPO (Ali Bonakdar)  
BMPO (Tyler Deke)

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## FY 2006-2009 STIP and MTIP Projects Consistency Review

<b>MPO</b>	<b>Project Key No</b>	<b>Discrepancy</b>	<b>Action</b>
<b>Corvallis MPO</b>		No Discrepancy	None
<b>Bend MPO</b>	Key 14246	Incorrect # in MTIP	MTIP will be Corrected
	Key 13370	Project not in current MTIP	Bend MPO will take to Policy Board in November 17, 2005 for correction
<b>SKATS</b>	Salem Bridge EIS	FY 05 Carryover shown in MTIP No entry in STIP	Include this project in STIP
	Key 12601	MTIP shows \$ in FY 2007 and 2008 ( 62,000+222,890) STIP reflects in FY 06, \$285,000	Correct entry in STIP
	Key #s 12604, 12609, 12619, 12623, 12625, 12645, 12746, 13678, 13679, 13949, 13950, 13951, 13952, 14321, and 14322	Incorrect applicant name	Correct applicant name to proper local jurisdiction
<b>Lane COG</b>	Key 12581	MTIP Const FY 2006 STIP Const FY 2007	Correct entry in STIP
	Key 14036	MTIP Const 2006 STIP Const 2007	Correct entry in STIP
	Key 13400	MTIP const cost \$377k STIP const cost \$477k	Correct entry in STIP
	Key 14075	Earmark not in MTIP	Delete project from STIP
	Key 13387	MTIP Const Complete in FY 2005 STIP Const 2006	
	Key 12298	NOT In MTIP	Delete entry from STIP
	Key 13446 (BRT)	\$ difference MTIP shows amount spent in FY 2005	Correct entry in STIP
	Key 14267 (BRT)	MTIP \$160 K STIP \$ 3 million	Correct entries in STIP in coordination with MPO
	Key 13452 (BRT)	MTIP Project Complete STIP \$3 million in FY 2006	Correct entries in STIP in consultation with MPO
	Key 14338	Fund Type STIP 5307 and MTIP STP-U	Correct entries in STIP
<b>METRO (Portland MPO)</b>	Key #s 14475 to 14480 and 14483 to 14488	Incorrect applicant name	Change applicant from Metro to TriMet for the listed projects

<b>RVCOG</b>	Key #s 13348, 14276, 13351, 13349, 13345, 11588, 13355, 13245, 13341, 13342, 13343, 13354, 13353, 13352, 12336, 12321, 12331, 12344, 12333, 12324, 12322, 12330, 13554, 13552, 13549, 13553, 13548, 14410	In STIP not in TIP	Amend TIP and STIP as needed
	Key #s 13340, 13262, 13356, 13367, 13240, 14423, 13344, 12723, 13993, 13994, 14040, 14041, 13338, 13339, 14396, 14079, 14041, 13362, 13363, 13775, 13824,	Funding Amounts between TIP and STIP don't match	Amend TIP and STIP as needed
	Key #s 13360, 13361, 13346, 12718, 12734, 11727, 13360, 13361,	In TIP not in STIP	Amend TIP and STIP as needed
	Key #s 14143, 13771, and 11722	Verify for MPO Boundaries	Amend STIP
	Unassigned Key Numbers	2008 JARC \$ and 2008 and 2009 Urban operations Support in TIP and not in STIP	Amend STIP as needed