



METRO COUNCIL WORK SESSION
MEETING SUMMARY
February 5, 2013
Metro Council Chamber

Councilors Present: Councilors Carlotta Collette, Shirley Craddick, Kathryn Harrington, Craig Dirksen, and Sam Chase

Councilors Excused: Council President Tom Hughes and Councilor Bob Stacey

Councilor Shirley Craddick convened the Metro Council work session at 1:04 p.m.

1. CHIEF OPERATING OFFICER COMMUNICATIONS

Chief Operating Officer Ms. Martha Bennett reported four items to the Council:

- Thanked the Councilors for the retreat on January 30th and 31st. Copies of the ground rules from the retreat will be provided shortly.
- The next Metro Council retreat is scheduled for February 12.
- There is currently discussion in the Governor's Office and amongst legislators regarding Project Azalea. A report will be provided to the Council if additional details become available.
- Metro submitted an application to become a tax-exempt public property. Metro will apply for a partial refund for the current fiscal year. Metro will become tax exempt through December 2017 if the application is approved.

2. OREGON ROAD USER FEE TASK FORCE: CHARGING BY DISTANCE TRAVELLED

Mr. Andy Cotugno of Metro, Mr. Jim Whitty of ODOT, and Mr. Angus Duncan of the Community Investment Initiative Leadership Council presented the background and options for implementation of the Vehicle Miles Travelled (VMT) fee, as well as to discuss further details of the CII Leadership Council proposal. The work session was a follow up to the Council's work session with the CII Leadership Council in July.

Mr. Jim Whitty provided background and history of the Road User Fee Task Force. Created in 2001 by the Oregon Legislature in House Bill 3946, the task force consists of four legislators (one from each Caucus), two transportation commissioners, the city mayor, the county commissioner, and four at large members. Mr. Whitty explained the declining gas tax revenue due to greater Miles per Gallon capabilities in newer cars, such as hybrids, and electric vehicles penetrating the market. He said that while these vehicles are still utilizing the roads, they do not help fund the maintenance of them. By switching to a VMT Fee for vehicles with 55+MPGe, these vehicles would be contributing more to transportation project funds.

Mr. Whitty explained that in the original 2006-2007 pilot program, wireless readers were placed at certain gas stations that transmitted the information in order to track the miles of the volunteer vehicles at the gas pump. At that same time, there was also discussion about Congestion Pricing during peak travel hours.

The public and two national commissions created by Congress critiqued the program on invading privacy via GPS, creating new taxes, and the quick evolution of technology potentially rendering installed technology outdated or obsolete.

In the newer proposals, there are four new tenets to make the VMT program more publicly acceptable and efficient:

- 1) No technology mandate: There are several available options for cars, ranging from low tech metering devices to telematics.
- 2) Open system: Allow the system to integrate with the existing technology market.
- 3) Choices for motorist: Five plans for motorists to choose from ranging from basic to advanced, there are several choices available.
- 4) Option for private administration: Motorists can choose a public provider or private provider; the five plans specify whom they are provided by.

Mr. Whitty said that because technology does continue to evolve, it seems likely that the future of VMT lies with telematics, currently available in only some vehicles. He stated that there have been pilot programs in other states across the U.S. exploring different options.

Mr. Angus Duncan overviewed CII's broader goals, such as overall state infrastructure, equal access, and public/private funding partnerships for transportation, and detailed how the VMT Task Force proposal fit into these goals. Because projections put electrical vehicle penetration at 95 percent by 2050, alternative funds must be found to the gas tax. Mr. Duncan explained that one way of instituting VMT is treating the road as a utility, provided by public services.

The CII is proposing a larger pilot program, bumping the number of voluntary participants from 50 to 3,000 to 5,000 with a program that looks at vehicle efficiency, congestion pricing, and travel info supplied in advance.

Council Discussion:

- The Council discussed the need to set prices that will make a significant difference in the amount of revenue available. Previous small bumps in the gas tax were not sufficient to stop the decline of revenue. The Council discussed the public's current perception of the project, and the necessary jump in revenue to make up for the declining revenue from the gas tax.
- Councilors raised concerns that the EPA rating of fuel efficiency is not always accurate. The presenters emphasized that working with a smaller base of income, necessitates some type of rating system.

- The Council inquired about the long break between the initial pilot and the current project proposal. The presenter clarified that due to the strong critiques of the public and the commissions, certain VMT issues needed to be worked out, before further pilots and test programs could commence.
- The Council inquired about whether a larger pilot would be legislated, adopted by the region, or voluntary. A voluntary program could lead to low motivation for high fuel efficiency vehicle owners.
- The Council discussed potential sources of funding from ODOT and the federal government. Presenters noted that the federal government may partially fund the large pilot in order study the outcomes. Councilors expressed desire to support the larger pilot, but said that funding must be found elsewhere.

3. FISCAL YEAR 2012-2013 SECOND QUARTER MANAGEMENT REPORT

Mr. Scott Robinson and Ms. Cary Stacey, both of Metro, provided a presentation of the FY 2012-2013 Second Quarter Management Report. For reader convenience, the report was divided into three levels of complexity: the executive summary, the at-a-glance section, and the full report. Mr. Robinson and Ms. Stacey focused their presentation on the At-a-Glance section.

Mr. Robinson explained the cyclical four steps in the Strategic Planning and Operational Model: Council goals and guidance, strategic budget program prioritization, program implementation and performance tracking, and annual review—guidance and course correction. He noted that currently, the Council is in step three: program implementation and performance tracking.

Mr. Robinson overviewed the Top 10 accomplishments of the quarter. Highlighted examples include *Today Magazine* named Keller and Schnitzer as top venues in the Pacific Northwest, collaboration and project narrowing with the SW Corridor project, and high attendance at the Oregon Zoo in December.

Council Discussion

- The Council expressed their appreciation for the three levels of complexity available in the Second Quarter Management Report.

4. COUNCIL BRIEFINGS/COMMUNICATION

Councilor Carlotta Collette reported on meetings with District 2 mayors and the Scouter Mountain/Mount Scott Trail Loop open house.

Councilor Kathryn Harrington reported on the final meeting for TV highway planning.

Councilor Craig Dirksen reported that his meeting with the District 3 mayors is coming up.

Councilors gave updates regarding their conversations about the levy.

5. ADJUORN

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Seeing no further business, Deputy Council President Craddick adjourned the Council work session at 2:59 p.m.

Prepared by,

A handwritten signature in cursive script, appearing to read "Camille Tisler".

Camille Tisler
Council Office Policy Assistant

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF FEBRUARY 5, 2013

ITEM	DOCUMENT TYPE	DOC DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
1.0	Handout	1/31/2013	Report: FY 12-13 2 nd Management Report "At-a-glance" Version	20513cw-01