



600 NE Grand Ave.
Portland, OR 97232-2736
oregonmetro.gov

July 23, 2020

Governor Kate Brown
160 State Capitol
900 Court Street
Salem, OR 97301-4047

Dear Governor Brown,

Enclosed is the 2021-2024 Metropolitan Transportation Improvement Program (MTIP) and the metropolitan planning organization self-certification for the Portland metropolitan region. These documents summarize scheduled federal transportation spending in the region and demonstrate compliance with federal regulations associated with the spending.

Metro and the Joint Policy Advisory Committee on Transportation (JPACT) have worked cooperatively with the Oregon Department of Transportation, the transit service providers TriMet and South Metro Area Rapid Transit (SMART), local transportation agencies, and the public in developing a transportation program that addresses the transportation needs of the region.

With your approval, the spending programmed in the 2021-2024 MTIP will be incorporated into the Statewide Transportation Improvement Program.

Thank you for your consideration in approving this MTIP. We look forward to working with you in the future to further address the region's transportation needs and priorities.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Marissa Madrigal'.

Marissa Madrigal
Metro Chief Operating Officer

Approved by:

A handwritten signature in dark ink, appearing to read 'Kate Brown'.

Kate Brown, Governor
State of Oregon

Date: August 13, 2020

cc: Kris Strickler, Oregon Department of Transportation
Jeffrey Flowers, Oregon Department of Transportation
Rachael Tupica, Federal Highway Administration, Oregon Division
Jeremy Borrego, Federal Transit Administration, Region 10
Doug Kelsey, TriMet
Dwight Brashear, SMART
Matt Ransom, Southwest Washington Regional Transportation Council



U.S. DEPARTMENT OF TRANSPORTATION

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September 30, 2020

HDA-OR/ FTA-TRO-10

File Code:
105.000

Mr. Kristopher W. Strickler
Director
Oregon Department of Transportation
355 Capitol Street NE, MS 11
Salem, OR 97301

Subject: 2021-2024 Statewide Transportation Improvement Program (STIP) Approval and 2021 Federal Planning Finding

Dear Mr. Strickler,

The Oregon Department of Transportation (ODOT) submitted the Federal fiscal year (FY) 2021-2024 Statewide Transportation Improvement Program (STIP) for the State of Oregon to the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) for review and approval on July 20, 2020. ODOT also provided the Governor's approval of the Metropolitan Transportation Improvement Programs (MTIPs) on August 13, 2020.

Concurrent with Federal review and approval of a STIP update or amendment, FHWA and FTA are required to make a joint Federal Planning Finding on the extent to which the STIP is based on a statewide transportation planning process that meets or substantially meets the planning requirements of 23 U.S.C 134 and 135, 49 U.S.C 5303 and 5304, and 23 CFR 450 subparts A, B and C and our approval is based, in its entirety or in part, upon the results of this Finding.

We find the ODOT's FY 2021-2024 STIP substantially meets the above-referenced planning requirements, subject to the compliance actions listed in the 2021 Federal Planning Finding, and are partially approving ODOT's 2021-2024 STIP, to include the portions covering:

- The non-metropolitan area of the state
- Albany Area Metropolitan Planning Organization
- Bend Metropolitan Planning Organization
- Central Lane Metropolitan Planning Organization
- Corvallis Area Metropolitan Planning Organization
- Portland Metro
- Salem-Keizer Area Transportation Study

The Middle Rogue Metropolitan Planning Organization and the Rogue Valley Metropolitan Planning Organization MTIPs have not met the requirements for FHWA and FTA to issue a joint air quality conformity determination and are therefore not included in the STIP approval at this

time. As required in 23 CFR 450.218(b), these MTIPs will require the Governor to reapprove the MTIPs when the MPO's air quality conformity process is completed and all requirements are met. They will also require a separate Federal approval action for inclusion into the STIP.

A list of compliance actions and recommendations in the 2021 Federal Planning finding, as well as the closeout of the 2018 Federal Planning Finding, is included in Appendix A of this letter. We request ODOT provide an action plan to address the 2021 Federal Planning Finding by February 1, 2021. FHWA and FTA would like to acknowledge that ODOT has made great strides over the last three years to address the 2018 Federal Planning Finding, in that ODOT has enhanced many aspects of the state planning program, STIP processes, metropolitan planning organization oversight responsibilities, and the implementation of Federal transportation planning requirements. We look forward to continued coordination with ODOT, MPOs, public transportation providers, and other planning partners to implement the Federal transportation planning provisions.

This 2021-2024 STIP approval is effective on October 1, 2020 and shall remain in effect until September 30, 2024 or until FHWA and FTA approve a new STIP, whichever is sooner. This approval supersedes the 2018-2021 STIP approval issued on September 29, 2017. This approval does not constitute an eligibility determination for the Federal funds proposed for obligation on the listed projects. The eligibility of individual projects for funding is subject to the project sponsors satisfactorily meeting all additional administrative and Federal requirements.

If you have any questions, please contact Ms. Rachael Tupica of FHWA Oregon Division at (503) 316-2549 or Mr. Ned Conroy of FTA Region 10 at (206) 220-4318.

Sincerely,

Phillip A. Ditzler
Division Administrator, Oregon Division
Federal Highway Administration

Linda M. Gehrke
Regional Administrator, Region 10
Federal Transit Administration

Enclosure

Oregon 2021 Federal Planning Finding

Cc, w/encl.:

<p>ODOT</p>	<p>Jerri Bohard, Transportation Development Division Administrator Karyn Criswell, Public Transportation Division Administrator Jeff Flowers, Statewide Investment Management Section Manager Alice Bibler, Program & Funding Service Manager Erik Havig, Planning Manager Rian Windsheimer, Region 1 Manager Jon Makler, Region 1 Planning Manager Jason Kelly, Regional Transit Coordinator, Region 1 Sonny Chickering, Region 2 Manager Lisa Nell, Region 2 Planning Manager Arla Miller, Regional Transit Coordinator, Region 2A Mark Bernard, Regional Transit Coordinator, Region 2B Frank Reading, Region 3 Manager Mike Baker, Region 3 Planning Manager Jennifer Boardman, Regional Transit Coordinator, Region 3 Gary Farnsworth, Region 4 Manager David Amiton, Region 4 Planning Manager Theresa Conley, Regional Transit Coordinator, Region 4 Craig Sipp, Region 5 Manager Teresa Penninger, Region 5 Planning Manager Frank Thomas, Regional Transit Coordinator, Region 5 Natalie Liljenwall, Air Quality Program Manager</p>
<p>Metro</p>	<p>Margi Bradway, Deputy Director</p>
<p>SKATS</p>	<p>Mike Jaffe, Program Director</p>
<p>CLMPO</p>	<p>Paul Thompson, Program Manager</p>
<p>RVCOG</p>	<p>Karl Welzenbach, Planning Program Manager</p>
<p>CAMPO</p>	<p>Nicholas Meltzer, Transportation Manager Steven Dobrinich, Transportation Planner</p>
<p>AAMPO</p>	<p>Catherine Rohan, Transportation Planner</p>
<p>BMPO</p>	<p>Tyler Deke, Manager</p>
<p>FTA</p>	<p>Jeremy Borrego, Transportation Program Specialist Ned Conroy, Community Planner</p>

Oregon 2021 Federal Planning Finding

The table below documents the 2018 Federal Planning Finding (FPF), USDOT’s observations of ODOT’s actions taken to resolve the finding, USDOT’s assessment and status of the findings including documentation of any outstanding concerns or recommendations, and the newly issued 2021 FPF. The 2021 FPF was informed by our observations and assessment of the 2018 FPF as well as our ongoing stewardship and oversight of the planning program. Compliance actions are required actions needed to ensure compliance with the Federal regulations and are assigned a date by which they need to be resolved. Recommendations are not a compliance issue at this time, but would enhance Oregon’s transportation planning processes.

2018 Federal Planning Finding and USDOT Observations of ODOT Actions	USDOT Assessment	2021 Federal Planning Finding
<p>ODOT’s Oversight of Metropolitan Planning Organizations (MPOs)</p> <p>Compliance Action 2018-1: By May 31, 2018, to ensure sufficient sub-recipient oversight as required by 23 CFR 420.117 and FTA Circular 8100.1.C, ODOT, as the direct recipient of Federal MPO planning funds (PL, MPP), must define expectations for ODOT MPO Liaisons to ensure proactive roles in managing MPO progress toward meeting Federal planning and administrative requirements. ODOT MPO Liaisons roles and responsibilities should specifically address how liaisons assure that Federal funds are not used for lobbying purposes. ODOT support and oversight for MPOs should include early and active involvement in UPWP, MTP, and TIP development processes and document reviews, ensuring compliance of processes and documents with applicable Federal requirements, monitoring the achievement of performance goals, and confirming that Federal funding is expended for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the sub-award.</p> <p>USDOT Observations of ODOT Actions ODOT has developed and implemented several tools in response to the 2015 and 2018 FPF related to MPO oversight, and continues to make their responsibilities more consistent and transparent, including:</p> <ul style="list-style-type: none"> Completed, implemented, and continues to update the MPO and ODOT Self-Certification Forms (November 2019), 	<p>Carried over into 2021 FPF</p> <p>While progress has been made, the following are outstanding concerns or recommendations that are carried over to the 2021 FPF:</p> <ul style="list-style-type: none"> MPO Coordination Checklist is silent on many oversight responsibilities and is not all inclusive of oversight responsibilities. For example, the roles identified largely speak to participation in processes, rather than identifying who is the lead for ensuring Federal requirements and timeframes are met. MPOs do not consistently meet required time schedules for completing Metropolitan Transportation Plans (MTP), Metropolitan Transportation Improvement Programs (TIPs), Air Quality Conformity Determinations (AQCD). It’s unclear who is responsible for ensuring MPO TIP financial planning and fiscal constraint requirements are met, TMA Certification findings are not monitored for progress to ensure resolution by the due dates identified in the certification report. For example, 	<p>ODOT’s Oversight of MPOs</p> <p>Compliance Action 2021-1: By September 30, 2021, ODOT must update the MPO Coordination Checklist to include oversight activities for all planning requirements in 23 CFR 450 and grant management processes to ensure MPO processes and products are compliant with Federal requirements, are being performed satisfactorily, and that time schedules are being met.</p> <p>Recommendation 2021-1: USDOT recommends the ODOT Headquarters and MPO Liaisons cooperatively develop an Oregon MPO Planning Oversight Manual, cooperatively FHWA, and FTA. The handbook would document state processes for ensuring oversight and should build off topics and processes in 23 CFR 450 as well as grant</p>

2018 Federal Planning Finding and USDOT Observations of ODOT Actions	USDOT Assessment	2021 Federal Planning Finding
<ul style="list-style-type: none"> • Incorporated language in ODOT’s Intergovernmental Agreement with the MPOs to prohibit lobbying, have been addressed and all Federal requirements met, • Confirmed their review of TMA certification findings and recommended closing findings that were complete or continuing findings that were yet to be completed, • Incorporated language in the ODOT/MPO/Public Transportation Providers Master Planning Agreement that acknowledges their oversight role to ensure that the MPO carries out its Federal duties in a manner that complies with 23 U.S.C. 106(g), • Developed a MPO Coordination Checklist (April 6, 2020) to document ODOT Region and Headquarters MPO roles and responsibilities, and • Since 2018, ODOT Headquarters, annually leads and facilitates the MPO Liaison Workshop. • Completed, implemented, and continues to update Unified Planning Work Program (UPWP) Protocols (August 10, 2020). • Annually leads and facilitates UPWP meetings and formally submits a letter to FHWA and FTA confirming all comments 	<p>many findings remain unresolved until the next certification which occurs every four years.</p> <ul style="list-style-type: none"> • On-going financial discrepancies between ODOT and MPO annual planning budgets. • There’s a gap between Federal and State interpretation of requirements and how MPO processes and documents satisfactorily comply with Federal requirements. ODOT, acting on behalf of USDOT, is expected to exercise judgements similar to USDOT based on Federal laws, regulations, and policies. • ODOT lacks guidance for MPO Liaisons to ensure Federal requirements are met for required processes and documents. • The ODOT Public Transportation Division should be provided more opportunities and encouraged to become more engaged in the metropolitan transportation planning processes to expand multimodal consideration in regional planning. 	<p>management processes to ensure compliance with 2 CFR 200 and all applicable state processes and procedures.</p> <p>Recommendation 2021-2: USDOT recommends ODOT Public Transportation Division (PTD) play a stronger role in the metropolitan planning processes and encourages PTD to coordinate with the Policy, Data, and Analysis Division to identify those opportunities.</p>
<p>Tribal Consultation Process</p> <p>Compliance Action 2018-2: As specified in 23 CFR 450.210(c), for each area of the State under the jurisdiction of an Indian Tribal government, the State shall develop the long-range statewide transportation plan and STIP in consultation with the Tribal government and the Secretary of the Interior. States shall, to the extent practicable, develop a documented process that outlines roles, responsibilities, and key decision points for consulting with Indian Tribal governments and Department of the Interior in the development of the long-range statewide transportation plan and the STIP.</p>	<p>Carried over into 2021 FPF</p> <p>While progress has been made, the following are outstanding concerns or recommendations that are carried over to the 2021 FPF</p> <ul style="list-style-type: none"> • The 2021-2024 STIP doesn’t include documentation that the Tribal consultation process was followed, no indication of any comments received, or how ODOT addressed and responded to any comments received. 	<p>Tribal Consultation</p> <p>Compliance Action 2021-2: By December 31, 2020 ODOT must provide USDOT with documentation the Tribal consultation process was followed during 2021-2024 STIP development, comments received from Tribal governments, and how ODOT addressed and responded to the comments.</p>

2018 Federal Planning Finding and USDOT Observations of ODOT Actions	USDOT Assessment	2021 Federal Planning Finding
<p>USDOT Observations of ODOT Actions</p> <p>In March 2020, ODOT issued a guidebook <i>Tribal Consultation for Statewide Transportation Plans and Statewide Transportation Improvement Program</i>, in response to the 2015 and 2018 FPF. The processes documented in the guidebook were developed in consultation with the nine federally recognized Tribal Governments in Oregon and the seven out-of-state Tribal governments that have cultural, historical, or ancestral lands to Oregon.</p> <p>As required in 23 CFR 450.212, if ODOT intends to use transportation planning studies to inform project development, Tribal government involvement in the planning study is required. Although not required in 23 CFR 450.210(c), USDOT encouraged ODOT to work with the Tribes to develop a process for Tribal involvement during planning, subarea, and corridor studies. ODOT chose not to include a process for involving Tribal government during planning studies in the March 2020 version of the Guidebook.</p> <p>ODOT is beginning updates to the Oregon Transportation Plan (OTP) and the Oregon Highway Plan (OHP) and USDOT expects ODOT follow the Tribal consultation processes documented in the <i>Tribal Consultation for Statewide Transportation Plans and Statewide Transportation Improvement Program</i> as well as document how the process was followed, including comments submitted by the Tribes and how ODOT addressed comments received.</p>	<ul style="list-style-type: none"> • ODOT Geo-Environmental section has a process for Tribal consultation during project development to meet Section 106 requirements. ODOT could recognize some benefits from coordinating on Tribal consultation processes. • USDOT has issued corrective actions to some TMAs as part of the certification process for not having a documented Tribal consultation process for Metropolitan Transportation Plan (MTP) and Metropolitan Transportation Improvement Program (TIP) development as required in 23 CFR 450.316. ODOT, the MPOs, and Tribal governments would all benefit from greater coordination. 	<p>Recommendation 2021-3: USDOT recommends ODOT work with each Tribe consulted on their Tribal Consultation guidebook and document how ODOT will involve applicable Tribes in transportation planning studies.</p> <p>Recommendation 2021-4: USDOT recommends ODOT work with each MPO to ensure they have a documented Tribal consultation process that meets Federal requirements, ensuring MPOs are consulting with all applicable Tribes, and look for opportunities to coordinate processes to the extent possible.</p> <p>Recommendation 2021-5: USDOT recommends ODOT Planning and Geo-Environmental sections look for opportunities to coordinate on Tribal consultation processes and look for opportunities to refine, improve, and document in one guidebook ODOT’s Tribal Consultation process that mutually serves Tribal governments, transportation planning and project development processes.</p>

2018 Federal Planning Finding and USDOT Observations of ODOT Actions	USDOT Assessment	2021 Federal Planning Finding
<p>STIP Development and Content</p> <p>Compliance Action 2018-3.1: Define parameters for project-level information included in the STIP that meets 23 CFR 450.218(i)(1), and includes sufficient descriptive information to identify the type of work, the project termini and length, and project phase or phases.</p> <p>USDOT Observations of ODOT Actions In December 2017, ODOT submitted the following documentation:</p> <ul style="list-style-type: none"> • <i>Plain Language Resource</i>, • <i>Public Friendly Project Description Cheat Sheet</i>, and • <i>ODOT Project Description/Naming Guidance</i>. 	<p>Carried over into 2021 FPF</p> <p>While progress has been made, the following are outstanding concerns/recommendations that are carried over to the 2021 FPF:</p> <ul style="list-style-type: none"> • The STIP is a multimodal programming document, but ODOT’s guidance documents have very little information about projects other than highway projects • Major transit capital projects that have significant identifiable phases (PE, CON, etc.), often do not have appropriate funding identified by phase. • STIP project titles, descriptions, or other project information can be vague, incorrect, or lack sufficient detail for USDOT to approve the project for inclusion in the STIP without additional clarifying information. • In nonattainment and maintenance areas, projects need sufficient detail (design concept and scope) for air quality analysis in accordance with the EPA transportation conformity regulations (40 CFR part 93, subpart A) • We’re unclear if ODOT has a quality assurance (QA) or quality control (QC) process for project information (descriptions, funding source eligibility, matching ratios, etc.) during STIP development or amendments 	<p>STIP Project Descriptions and Funding</p> <p>Compliance Action 2021-3: By December 31, 2021, ODOT, MPOs, and public transit providers must work together to update <i>ODOT Project Description/Naming Guidance</i> to include guidance on multimodal project descriptions and phasing, as required in 23 CFR 450.218(i)(1) and 23 CFR 450.326(g)(1).</p> <p>Compliance Action 2021-4: By March 31, 2021, ODOT, MPOs, and public transit providers must update major transit capital projects where significant project phases (PE, CON, etc.) can be clearly identified, as required in 23 CFR 450.218(i)(1) and 23 CFR 450.326(g)(1).</p> <p>Compliance Action 2021-5: By March 31, 2021, ODOT and MPOs should review projects in the STIP that are nonexempt from air quality conformity and ensure they all have the “Air Quality Approval Required” box checked and the date of the air quality conformity determination.</p>

2018 Federal Planning Finding and USDOT Observations of ODOT Actions	USDOT Assessment	2021 Federal Planning Finding
<p>STIP Development and Content</p> <p>Compliance Action 2018-3.2: Ensure the STIP development process documents compliance with 23 CFR 450.218(i)(3) to identify the amount of Federal funds proposed to be obligated during each program year. For the first year, this includes the proposed category of Federal funds and source(s) of non-Federal funds. For the second, third, and fourth years, this includes the likely category or possible categories of Federal funds and sources of non-Federal funds Category fund type programs (such as STP, pooled fund projects, and CMAQ) should be listed for each project.</p> <p>USDOT Observations of ODOT Actions USDOT appreciates ODOT working closely with us to understand the issue.</p>	<p>Carried over into 2021 FPF</p> <p>While progress has been made, the following are outstanding concerns/recommendations that are carried over to the 2021 FPF:</p> <ul style="list-style-type: none"> • The STIP currently lists Federal funds by FHWA Financial Management Information System (FMIS) codes, which do not correspond directly to all federal funding programs. ODOT’s table for translating FMIS codes have multiple funding codes for several federal funding sources, lists incorrect match ratios for certain funding sources; and is missing funding sources for several FTA discretionary programs. • Using FMIS program codes instead of the specific Federal funding programs in the STIP document is a barrier for the public to understand the funding program associated with each project. • We’re unclear if there is a quality assurance (QA) or quality control (QC) process for project funding during STIP development or amendment. 	<p>Compliance Action 2021-6: By September 30, 2021, ODOT must update the STIPFP with all current FTA funding sources and ensure proper match ratios are identified for all federal sources, as required by 23 CFR 450.218(i)(3).</p> <p>Recommendation 2021-6: USDOT recommends ODOT update the STIPFP and the STIP published online (PDF) to directly reflect Federal funding programs (STBG, CMAQ, 5307, 5310, etc.) instead of (or in addition to) using FMIS codes to make it easier for reviewers of the STIP and the public to understand which Federal funding source is programmed on each project.</p>
<p>STIP Development and Content</p> <p>Compliance Action 2018-3.3: Document a cooperative financial planning process consistent with 23 CFR 450.218(l) that ensures ODOT and MPOs financial assumptions are consistent.</p> <p>USDOT Observations of ODOT Actions ODOT, MPOs, and Public Transportation Providers signed Master Planning Agreements in 2018 and 2019, which outlines roles and responsibilities for the cooperative financial planning processes for the STIP/TIPs.</p>	<p>Carried over into 2021 FPF</p> <p>While progress has been made, the following are outstanding concerns/recommendations that are carried over to the 2021 FPF:</p> <ul style="list-style-type: none"> • The financial planning roles and responsibilities in the Master Agreement should be revisited to ensure they are understood by all parties. The transit revenue estimation process is largely undefined and needs to be clarified. • There was miscommunication or misunderstanding that the 10 percent reduction would also include 	<p>STIP/TIP Financial Planning and Financial Constraint</p> <p>Recommendation 2021-7: USDOT recommends ODOT, MPOs, and public transit providers review the Master Planning Agreement to ensure a common understanding of the financial planning processes, roles, and responsibilities as we begin the</p>

2018 Federal Planning Finding and USDOT Observations of ODOT Actions	USDOT Assessment	2021 Federal Planning Finding
<p>For the 2021-2024 STIP, ODOT followed the process outlined in the Master Planning Agreement for highway funding and the Oregon Transportation Commission (OTC) approved the moved forward with a 10 percent reduction in highway funding for ODOT-controlled programs and, after negotiation with the MPOs, decided on a 2 percent growth rate for the MPO areas.</p> <p>The STIP and many TIPs do not utilize an illustrative list of priority projects in the STIP/TIP financial plan, that could be implemented if additional funding were to become available, as allowable in 23 CFR 450.218(l) and 23 CFR 450.326(j). This is a tool that creates greater transparency to the public and provides for more comprehensive interagency consultation. State DOTs and MPOs are not required to select projects from the illustrative list for implementation, the projects are not Federally approved in the STIP, and need to be amended in prior to implementation.</p>	<p>Federal MPO Planning funding, which MPOs were not anticipating.</p> <ul style="list-style-type: none"> Neither the Master Planning Agreement nor the MPO Facilitation and Coordination Checklist identifies a responsible party for reviewing MPO TIP or MTP financial plans to ensure they document the agreed upon financial assumptions and meet the financial planning or financial constraint demonstration requirements in TIPs or MTPs. If actual funding to Oregon is higher than the estimated amount, there is not a clear process for how additional funding would be allocated to projects and programs. For the development of the 2024-2027 STIP/TIPs, the Oregon MPO Consortium does not agree with assumptions made for Federal funding (10 percent reduction) and is concerned with the process that'll be used to select programs and projects if funding comes in higher than ODOT's assumptions. 	<p>2024-2027 STIP development process.</p> <p>Recommendation 2021-8: USDOT recommends ODOT and MPOs utilize the illustrative list of priority projects that could be implemented if additional funding was to become available.</p> <p>Recommendation 2021-9: USDOT recommends ODOT, MPOs, and public transit providers work together to develop a statewide standardized format for demonstrating financial constraint to include all FHWA and FTA funding programs.</p>
<p>STIP Development and Content</p> <p>Compliance Action 2018-3.4: Document the financial constraint process consistent with 23 CFR 450.218 (m), identifying a standard format, and protocols.</p> <p>USDOT Observations of ODOT Actions ODOT worked with USDOT on a format and process to submit the statewide financial constraint demonstration to USDOT on a quarterly basis. The format makes it easy for FHWA and FTA to review Federal fund estimates, matching funds, and compare total revenue estimates to identified commitments. The demonstration is emailed to USDOT by the</p>	<p>2018 finding has been resolved.</p>	<p>No finding identified in 2021 Federal Planning Finding review.</p>

2018 Federal Planning Finding and USDOT Observations of ODOT Actions	USDOT Assessment	2021 Federal Planning Finding
10 th business day following the end of each Federal FY quarter (January, April, July, October). The agreed upon format is demonstrated in Table 9 of the 2021-2024 STIP Financial Constraint Demonstration. The first submittal occurred in January 2018 and reflected all project changes for the first quarter of FY 2018. We appreciate ODOT consistently meeting the agreed upon timeframe for submittal and answering any questions USDOT has based on our review.		
STIP Development and Content Compliance Action 2018-3.5: Document how ODOT meets 23 CFR 450.328, ensuring that MPO TIPs are incorporated directly into the STIP without modification. USDOT Observations of ODOT Actions ODOT is commended for aligning the STIP and TIP development schedules to reduce issues that were caused from discrepancies in statewide and metropolitan timelines.	Carried over into 2021 FPF While progress has been made, the following are outstanding concerns/recommendations that are carried over to the 2021 FPF: <ul style="list-style-type: none"> • During our review, we identified some inconsistencies between the MPO TIPs and STIPs (i.e. discrepancies between Federal funding amounts, project titles, or project information). The cause(s) of the discrepancies is not clear. • Some MPOs did not follow the 2021-2024 STIP/TIP development schedule, which potentially could have led to some discrepancies. • MPOs need to follow the STIP/TIP development schedule to reduce inconsistencies, ensure proper financial constraint demonstrations, and to ensure the full STIP is ready for the OTC, the Governor, and USDOT to take appropriate action. 	STIP/TIP Inconsistencies Recommendation 2021-10: USDOT recommends ODOT, MPOs, and public transit providers review project discrepancies, identify the root cause of the discrepancies, and identify further process improvements to ensure MPO TIPs are included in the STIP without modification.
STIP Development and Content Compliance Action 2018-3.6: Development of a documented process that defines how STIP amendments provide project descriptions, consistent descriptions of work categories, and	Carried over into 2021 FPF Refer to the USDOT Assessment above in 2018 FPF STIP Compliance Action 2018-3.1 and 2018-3.2.	Refer to the 2021 FPF in above STIP Compliance Action 2021-3.3, 2021-3.4, 2021-3.5, and 2021-3.6.

2018 Federal Planning Finding and USDOT Observations of ODOT Actions	USDOT Assessment	2021 Federal Planning Finding
<p>clarity and consistency on the funding source consistent with 23 CFR 450.220 and 218(i).</p> <p>USDOT Observations of ODOT Actions This compliance action is largely related to STIP compliance action 1 and 2, relating to project descriptions and funding sources, but specific to the amendment process. Refer to the USDOT observations above in STIP Compliance Action 1 and 2.</p>		
<p>STIP Development and Content</p> <p>Recommendation: To continue to improve STIP transparency, efficiencies, and accountability and to reduce staff time in processing STIP amendments. FHWA and FTA recommend ODOT develop a work plan for STIP/TIP improvements. FHWA and FTA also recommend the following process improvements:</p> <ul style="list-style-type: none"> • Finalization of the STIP protocols and STIP content checklist. • Finalization of the quarterly financial constraint demonstration protocols. • Development of a TIP Content Checklist. • Development of STIP/TIP amendment guidance. • STIP/TIP Amendment coordination with Oregon Transportation Commission (OTC) amendments. • Consider STIP/TIP software that could streamline coordination between the STIP and TIPs. • Continuation of quarterly ODOT-MPO-Transit Agency coordination meetings to identify and implement STIP/TIP improvements. <p>USDOT Observations of ODOT Actions ODOT is commended for all the STIP improvements initiated over the last three years. In addition to the items already mentioned:</p> <ul style="list-style-type: none"> • ODOT initiated an internal STIP amendment audit to determine whether it had a measurable impact on timely project completion. 	<p>Carried over into 2021 FPF</p> <p>While significant progress has been made, the following are recommendations to enhance the STIP processes that are carried over to the 2021 FPF:</p> <ul style="list-style-type: none"> • Looks for opportunities to implement the findings of ODOT’s internal STIP amendment audit, • An updated STIP Development Manual could be a beneficial tool to document protocols, agreed upon processes and decisions, explain roles and responsibilities, and could include (but not limited to): <ul style="list-style-type: none"> ○ The STIP/TIP Development Schedule for ODOT, MPOs, and providers of public transportation to follow ○ Amendment Matrix ○ Amendment protocols ○ Guidance, clarification, consistency on regionally significant projects and use of illustrative lists ○ Roles and responsibilities consistent with the Master Planning Agreement 	<p>STIP Process Improvements</p> <p>Recommendation 2021-11: USDOT recommends ODOT and MPOs explore opportunities to update and streamline their STIP and TIP amendment processes, including updates to the Amendment Matrix.</p> <p>Recommendation 2021-12: USDOT recommends ODOT, with the assistance of MPOs and public transit providers, update the STIP Development Manual specific to 2024-2027 STIP processes.</p> <p>Recommendation 2021-13: USDOT recommends ODOT share and discuss the quarterly statewide financial constraint demonstration reports at the Quarterly STIP Coordination meetings.</p>

2018 Federal Planning Finding and USDOT Observations of ODOT Actions	USDOT Assessment	2021 Federal Planning Finding
<p>While the audit found that the STIP amendment process did not show a measurable delay to projects, there were three recommendations:</p> <ol style="list-style-type: none"> 1. Review the process for building the STIP and how programming decisions are made to determine if changes are necessary for setting a project's schedule and funding. 2. Review the project controls for scheduling and funding within the project development stage to determine if additional rigor is needed. 3. Work with MPOs, the OTC, and FHWA to identify opportunities to streamline the STIP amendment process. <ul style="list-style-type: none"> • MPOs, in coordination with ODOT are continuing to explore software for MTIP management • Over the years, ODOT has hosted Quarterly STIP Meetings which have evolved and are now a great place for ODOT and MPO coordination. • ODOT and the TMAs are working collaboratively to implement obligation targets for local public agency projects to ensure projects are being obligated as programmed in the TMA TIPs. • ODOT began discussions with FHWA regarding potential changes to the Amendment Matrix, which includes the criteria used for determining amendments or administrative modification to the STIP. 	<ul style="list-style-type: none"> ○ Include the QA/QC process for STIP amendments from initial entry to submitting it for federal review and approval. ○ Documentation of ODOT's process for updating and submitting the quarterly financial constraint demonstration to FHWA and FTA. ○ STIP project naming guidance and plain language resources ○ And more! • Sharing statewide financial constraint demonstration at the STIP Quarterly Coordination Meetings could be beneficial for MPOs and ODOT's regional STIP coordinators to understand the financial constraint demonstration process and requirements. 	
<p>Metropolitan Planning Agreements</p> <p>Compliance Action 2018-4: To ensure ODOT, MPO, and providers of public transportation agree upon their roles and responsibilities for successfully implementing performance-based planning and programming processes, we recommend ODOT lead the collaborative effort to update and execute metropolitan planning agreements to meet the requirement of 23 CFR 450.314 for all Oregon MPOs by the phase-in date of May 27, 2018. The specific performance-based provisions</p>	<p>Carried over into 2021 FPF</p> <p>While progress has been made, the following are outstanding concerns/recommendations that are carried over to the 2021 FPF:</p> <ul style="list-style-type: none"> • The Master Agreements for the three transportation management areas (Metro, SKATS, and CLMPO) were not signed by the MPO Board, rather by MPO staff. USDOT would like verification that MPO 	<p>Metropolitan Planning Agreements</p> <p>Compliance Action 2021-7: By December 31, 2020 Metro, SKATS, and CLMPO must submit delegation of authority, or other applicable documentation, to ODOT and USDOT documenting MPO</p>

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<p>must include safety performance measure process by May 27, 2018, and system performance, bridge, and pavement performance measures by May 20, 2019. These agreements should clearly define: key terms; the roles and responsibilities of the MPOs; and, their coordination with ACTs during project prioritization and selection processes.</p> <p>USDOT Observations of ODOT Actions ODOT, MPOs, and public transit providers updated the Master Planning Agreement, required in 23 CFR 450.314(a), to meet the Federal planning regulations issued in May 2016. The Master Agreements were signed in 2018 and early 2019. We appreciate ODOT, MPOs, and public transit providers making the timely update and that all parties in each MPO area entered into one joint planning agreement. The Master Agreements for the small MPOs were signed by the MPO Board (the designated MPO), applicable transit agencies, and applicable ODOT representatives.</p> <p>To meet the requirement of 23 CFR 450.314(h), ODOT and the MPOs developed a transportation performance management (TPM) specific agreement, <i>ODOT's Coordination Process with MPOs in Setting, Monitoring, and Reporting State Performance Measure Targets</i>. In early 2020, USDOT reviewed the TPM specific agreement and identified public transit providers were not included in the agreement, as required. ODOT initiated another update to the agreement and the July 2020 update included public transit providers. Following a request from USDOT to have the MPO Board sign off on the <i>ODOT's Coordination Process with MPOs in Setting, Monitoring, and Reporting State Performance Measure Targets</i> document, ODOT emailed FHWA (August 2020) to clarify this agreement was meant to complement the Master Agreement which speaks to TPM in Section VII. Performance-Based Planning and Programming (PBPP) Roles and Responsibilities, which was signed by the MPO Boards. This approach meets the intent of 23 CFR 450.314.</p>	<p>staff had the delegated authority from their respective MPO Board to sign the agreement.</p>	<p>staff have the authority to sign Master Agreement for the MPO Board.</p>

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<p>Performance-Based Planning and Programming (PBPP) Implementation</p> <p>Recommendation: To ensure a successful transition to performance-based planning and programming requirements and ensure project delivery continues without interruption, FHWA and FTA recommend ODOT develop a work plan for PBPP implementation, including items such as:</p> <ul style="list-style-type: none"> • Assess the SLRP for PBPP requirements • Assess the STIP for PBPP requirements • Assess the MTPs for PBPP requirements, • Assess TIPs for PBPP requirements, • Assess Metropolitan Planning Agreements PBPP requirements • Track implementation requirements by MPO, • Host coordination meetings and training in areas ODOT or MPOs need additional assistance, and • Other ideas ODOT or MPOs have to implement PBPP. <p>USDOT Observations of ODOT Actions ODOT has taken many steps to implement the Federal PBPP requirements in statewide processes.</p> <ul style="list-style-type: none"> • The 2021-2024 STIP includes some discussion of TPM and PBPP, including the OTC investment strategies, the Transportation Asset Management Plan (TAMP) the Transit Asset Management (TAM) plan, performance measures, and targets. • On May 17, 2018, the OTC amended Federal performance measures and targets, and applicable strategies, into the Oregon Transportation Plan (OTP), Oregon Highway Plan (OHP), and the Transportation Safety Action Plan (TSAP). • Developed the <i>ODOT's Coordination Process with MPOs in Setting, Monitoring, and Reporting State Performance Measure</i> 	<p>Carried over into 2021 FPF</p> <p>While progress has been made, the following are outstanding concerns/recommendations that are carried over to the 2021 FPF:</p> <ul style="list-style-type: none"> • While the 2021-2024 STIP includes some discussion of ODOT's PBPP and TPM processes, it does not include documentation of the anticipated effect of the STIP on meeting the targets as required. • During FHWA's review of the TAMP, we noted the following observations: <ul style="list-style-type: none"> ○ Did not include ODOT's TAMP project selection process to clearly demonstrate ODOT's implementation of the TAMP. ○ Doesn't differentiate between preventative and routine maintenance. ○ Shows significant deviation between planned versus actual bridge and pavement expenditures. ○ ODOT's data sources / methodology used to demonstrate TAMP implementation was difficult to follow. ○ The 2021-2024 STIP doesn't list the TAMP or the Transit Asset Management (TAM) Plan in the list of Statewide Transportation Plans • While ODOT has taken many actions to address PBPP in their processes and documents, USDOT would like to see ODOT play a stronger role in educating MPOs and ensuring MPOs are meeting the PBPP requirements. 	<p>Performance-Based Planning and Programming Implementation</p> <p>Compliance Action 2021-8: By March 1, 2021, ODOT must amend the STIP document to include a discussion of the anticipated effect of the STIP toward achieving the performance targets identified in the statewide transportation plan or other State performance-based plan(s), linking investment priorities to those performance targets, as required in 23 CFR 450.218(q).</p> <p>Recommendation 2021-14: USDOT recommends ODOT work with the MPOs to identify and implement opportunities to integrate Federal performance measures and targets and statewide performance-based plans into metropolitan planning processes during MTP and TIP update or amendment, for example by developing a statewide template for system performance report.</p> <p>Recommendation 2021-15: USDOT recommends ODOT's 2021 TAMP Consistency</p>

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<p><i>Targets</i> (as mentioned in 2018 FPF 4 above) and continues to make updates as appropriate.</p> <ul style="list-style-type: none"> • ODOT periodically hosts workshops to coordinate on Federal performance measures and targets with the MPOs. • In 2019, developed a Transportation Asset Management Plan (TAMP) consistent with the certified process. In July 2020, FHWA issued the annual consistency determination that ODOT developed and implemented an asset management plan consistent with the requirements of 23 U.S.C. 119. 		<p>Determination submittal to FHWA should:</p> <ul style="list-style-type: none"> • Document ODOT’s TAMP project selection process • Clearly differentiate the difference between preventative versus routine maintenance • Address how ODOT’s Investment Plan will be reviewed in advance of the 2022 TAMP update to help avoid significant deviation from the planned to the actual bridge and pavement expenditures. • Clarify the methodology used to develop actual expenditures
<p>Transportation Air Quality Conformity</p> <p>No Compliance Action identified in 2018 Federal Planning Finding review.</p>	<p>Transportation Air Quality Conformity</p> <p>As required in the provisions of 23 CFR 450.324(m), 450.326(a), the Clean Air Act, and 40 CFR Part 93 Subpart A, in nonattainment and maintenance areas for transportation-related pollutants, the MPO, as well as the FHWA and the FTA, must make a conformity determination on any updated or amended metropolitan transportation plan (MTP) and transportation improvement program (TIP).</p>	<p>Transportation Air Quality Conformity</p> <p>Recommendation 2021-16: USDOT recommends ODOT’s MPO Liaisons participate in the interagency consultation meetings, in addition to ODOT’s Air Quality Program Manager, to ensure the AQCD process is done in alignment with required timeframes and to ensure all air quality requirements</p>

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	<p>Currently four Oregon MPOs designated nonattainment or maintenance for the National Ambient Air Quality Standards (NAAQS) and are required to meet the transportation air quality conformity requirements: CLMPO, MRMPO, RVMPO, and SKATS.</p> <p>The CFR defines the requirements for determining transportation conformity:</p> <ul style="list-style-type: none"> • Interagency consultation • Latest planning assumptions • Timely implementation of Transportation Control Measures (if applicable) • Regional emission analysis (if applicable) • Financial Constraint • Public Involvement <p>The interagency consultation process is led by the MPO and includes FHWA, FTA, United States Environmental Protection Agency (EPA), ODOT, Oregon Department of Environmental Quality (DEQ), and the Lane Regional Air Protection Agency (LRAPA) (for CLMPO). The interagency consultation processes across the state are conducted informally, mainly via email, and processes and documentation are inconsistent between MPOs. ODOT's representative on the interagency consultation group is the Air Quality Program Manager. MPO Liaisons do not normally participate in the consultation.</p>	<p>have been addressed prior to MPO Board adoption/amendment of MTP/TIP.</p> <p>Recommendation 2021-17: USDOT recommends MPOs (CLMPO, MRMPO, RVMPO, SKATS) host interagency consultation meetings (in-person or virtual) where interagency partners can converse, share comments, ask questions related to supporting documentation, and agree upon the air quality status of projects.</p>
<p>TMA Certification Reviews and Findings</p> <p>No Compliance Action identified in 2018 Federal Planning Finding review.</p>	<p>TMA Certification Reviews and Findings</p> <p>Three MPOs in Oregon are over the 200,000-population threshold to be designated Transportation Management Areas (TMAs): Portland Metro, SKATS, and CLMPO.</p>	<p>TMA Certification Reviews and Findings</p> <p>Recommendation 2021-18:</p>

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	<p>TMA's are subject to Federal certification of the transportation planning process every four years. Oregon does not have a process in place to ensure findings from TMA certification reviews are resolved by the due date identified in the certification report. USDOT would like to partner with ODOT and the TMA's to develop and agree upon a statewide process, including roles and responsibilities, to ensure timely and satisfactory resolution of corrective actions by the due dates.</p> <p>Below is a proposed process:</p> <ol style="list-style-type: none"> 1) FHWA and FTA present the findings to the MPO staff and ODOT to ensure understanding of the findings, deadlines, and expectations. FHWA and FTA will also present the findings to the MPO Board. 2) The MPO develops a plan of action, to be included in the Unified Planning Work Program (UPWP), that demonstrates how the MPO can resolve corrective actions by the due dates specified in this report. Although not a current compliance issue, the MPO is encouraged respond to recommendations in the action plan. 3) The MPO is encouraged to form a certification action team composed of local, state, and Federal partners to assist in the successful and timely resolution of findings. 4) After the MPO Board and ODOT (as the oversight agency) believes the corrective action(s) have satisfactorily been resolved, the MPO should formally request ODOT review updated processes and related documents. 	<p>USDOT recommends ODOT, Metro, SKATS, and CLMPO partner together to define statewide processes and protocols to ensure timely and formal resolution of TMA certification review corrective actions by the due date identified in the certification report.</p>

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	<p>5) Upon ODOT's review and determination that the MPO processes and documents comply with Federal requirements and the corrective action, ODOT sends a letter to FHWA and FTA indicating recommendation to close out the corrective action(s).</p> <p>6) FHWA and FTA review ODOT's request to close out the corrective action(s) and supporting documentation and issues a letter with a determination.</p>	