

Meeting Minutes



BMPO Policy Board

Location: Baney Conference Room, Building M, ODOT Region 4
63055 N. Highway 97, Bend, Oregon

Date: January 24, 2025

Time: 12:00 p.m.

Prepared by: ABC Transcription Services, LLC.

In Attendance

Policy Board Members

- Vice-Chair Phil Chang, Deschutes County Commissioner
- Ariel "Ari" Mendez, Bend City Councilor
- Omar Ahmed, Oregon Department of Transportation (ODOT) Central Oregon Area Manager

BMPO Staff and Other Attendees

- Tyler Deke, BMPO Manager
- Andrea Napoli, BMPO Senior Planner
- Kelli Kennedy, BMPO Program Coordinator
- Greg Bryant, BMPO Technical Advisory Committee, Deschutes River Woods resident
- Russ Wallace, member of the public, Redmond resident
- Chris Doty, Deschutes County
- Paul Dean, Bend La Pine Schools
- Bob Townsend, Cascades East Transit (CET)
- Janet Hruby, City of Bend
- Susanna Julber, City of Bend

Agenda Items

1. Call to Order and Introductions

Vice-Chair Chang called the regular meeting to order at 12:02 p.m. Since a quorum was not established, agenda items requiring a decision would be skipped.

2. Hybrid Meeting Guidelines

Manager Deke reviewed the meeting guidelines.

3. Public Comment

Vice-Chair Chang called for public comment. There was none.

4. Meeting Minutes

Materials referenced: December 20, 2024, Policy Board draft meeting minutes (Attachment A in agenda packet)

This agenda item was skipped due to lack of quorum.

5. 2025 Policy Board Meeting Schedule

Manager Deke discussed the standing meeting schedule for 2025 and confirmed meetings would occur on third Fridays at noon.

Ari Mendez noted City policy would be to have another City Council member serve as alternate rather than having Staff represent the City as there was discomfort around decisions potentially being made by an unelected Policy Board consisting of alternates and Staff members. Quorum rules would likely be revisited as well.

Vice-Chair Chang noted the County would continue to rely on Staff for member alternates, though there may be more interest from other Commissioners following the 2026 elections.

6. MPO Funded Projects (STBG/SHF) – Annual Status Updates

Materials referenced: Memo MPO Funded Projects (STBG/SHF) Annual Status Updates (Attachment B in the agenda packet)

Senior Planner Napoli shared a table of projects that had been awarded Surface Transportation Block Grant (STBG) funds, now called State Highway Funds (SHF), in competitive project application processes that had occurred in 2020 and 2022. A prior Policy Board had requested annual updates on the status of funded projects, many of which had been completed or were in progress. The total amount of funding for the projects was around \$3 million.

Janet Hruby gave an update on seven City of Bend projects that had been awarded funding, four of which had been completed. She showed a map of project locations and a table of funding totals, provided a detailed overview of the progress of each project, and emphasized efforts to fill in sidewalk gaps for pedestrian safety and add new bike lanes and improved bike lane buffering as a part of the Crosstown Bikeway Greenways Projects. She noted the Deschutes River Trail Crossing at Archie Briggs Rd feasibility study had only cost \$50,000 of the budgeted \$100,000, and the City would work with the MPO to reallocate the remaining funds.

Janet Hruby addressed questions about replacing the old traffic signals from the 1960s and gaining the ability to run signal timing at night; considerations around automatic pedestrian signaling; potentially replacing the signal at the intersection of Franklin St, Wall St, and Bond St, and redesigning the intersection at Oregon St, Wall St, and Bond St due to changes in traffic

patterns after completing the Hawthorne Bridge project; potentially redesigning the intersection at Oregon St, Wall St, and Bond St and the corridor between Louisiana Ave/the Mirror Pond parking lot and Tin Pan Alley, to accommodate a hotel on the corner, add a bike lane, and install a new smaller signal pole in the tight space. She noted work on downtown signal upgrades would be completed this year.

Janet Hruby explained the Deschutes Riverfront Trail design combined one-way street and separate path to hopefully mitigate speed issues and limit the impact to adjacent homes and rights-of-way. The Council and Staff discussed access into the neighborhood and the difficulty turning left onto Galveston Rd resulting in neighborhood residents using alternate routes. Feedback from residents about pedestrian safety could potentially be addressed by raising the path to cross over the alley and using specific pavers to encourage people to stay on the path. She noted the City had funded the Riverfront Trail design but was still looking for funds to complete the project. The Riverfront Trail would likely have minimal Stormwater service, utilities or pavement preservation. The project was not on the Transportation System Plan, which limited funding opportunities to some extent.

Janet Hruby explained that numbers on table of Projects in Progress came from various project managers, which is the reason downtown signal upgrades and downtown bike and pedestrian improvements appeared to be short \$103,000 when added together. A typological error was noted on the table of Projects in Progress listing the cost for the downtown bike and pedestrian improvements as \$566,00 rather than \$566,000.

Manager Deke stated Staff would return with more information about the Riverfront Trail project including funding challenges and utilities being moved.

Paul Dean, Bend La Pine School District, Chief Operations Officer, talked about a path being planned by the School District, the City, ODOT, and Parks and Recreation to connect NE 12th St near Juniper Elementary School to Neff Rd and pass through Pilot View Middle School property. He showed maps of two path alternatives created by ODOT for the Safe Routes to School accessible path and described the public comments received and the pros and cons of each path alternative, noting the School District preferred the second path alternative but both were still being considered. The design phase of the project had been funded, but there was no funding plan yet to build the path.

Paul Dean explained the initial cost estimate of the path had been around \$1 million, though in another MPO meeting it had been noted the estimate was based on federal requirements and using state funds could reduce the cost by as much as 40 percent. He confirmed he would follow up with regarding the School District's role in transportation policy and the possibility of aligning objectives with the MPO more consistently. He noted the School District had a new Sites and Facilities process beginning next year to evaluate needs which would include bicycle and pedestrian pathways.

Janet Hruby clarified that the two schools serving disadvantaged students were more competitive for Safe Routes to School applications. She noted the Safe Routes to School program was becoming increasingly competitive and there was not much funding for capital improvements.

Senior Planner Napoli stated in the spring the Policy Board would decide how the 2028, 2029, and 2030 State Highway Funds (SHF) allocations would be distributed, including how much to dedicate to the next competitive application process. She described the application process timeline with funds expected to be awarded by the MPO Policy Board during the winter. She explained funds for 2028, 2029, and 2030 were being awarded now due to the requirement in the past to allocate the State Transportation Block Grant (STBG) dollars before finalizing the Metropolitan Transportation Improvement Program (MTIP), but the requirement ended when STBG funds shifted to SHFs. The City, CET, and the Bend MPO Technical Advisory Committee preferred continuing to hold application processes and award funds in advance to allow more time for planning.

7. MPO Budget Reserves and Earned Interest

Manager Deke reminded the Policy Board of the previous discussion about possibly building a funding reserve and options for programming earned interest. In 2023, the Policy Board had approved setting aside \$80,000 of SHFs in Fiscal Years 2025, 2026, and 2027 to build a Reserve Fund for future MPO needs and potential cost increases to awarded projects. The City of Bend policy was to have reserves equal to 16 percent of the operating budget, and the MPO would reach that threshold in two years.

The Policy Board and Staff discussed the rule of thumb to keep a reserve fund of around 16 percent, though that amount may not be sufficient for anticipated upcoming costs, and the Board could possibly build a larger reserve with the goal of being stable for two months if funds were interrupted.

Manager Deke explained most of the grant funding for the Transportation Safety Action Plan operated on a reimbursement basis and the MPO would be operating on a deficit when consultants were hired until reimbursement was received. These operational issues should be considered when the MPO was doing forecasting and considering future needs. The MPO was currently building the budgeted reserves for Fiscal Year 2026 with the allocated \$80,000 and the Board may want to consider building a bigger Reserve Fund to accommodate an operational reserve, contingency funds, and possibly save for strategic projects or long-term planning expenses. BMPO Staff would work with Finance Staff to create a presentation for the Policy Board on building the Reserve Fund.

Manager Deke talked about the earned interest from COVID funds and the change from STBG funds to SHFs which were paid directly by check so the money could gather interest. Earned interest would continue to be received by the MPO, though the amount would decrease as

remaining COVID funds were depleted over the next two years. The accounting process during the transition from STBG to SHF found extra funds to be allocated later by the MPO. He suggested reviewing the available funds with the Board at the beginning of each fiscal year to determine how funds would be spent, and he confirmed the MPO followed City of Bend procedures for keeping funds before they were spent, with funds being invested conservatively in Treasury Bills with low risk and no wild fluctuations.

The Board considered how much risk to assume and the consequences of chasing too much interest, which did not seem like an appropriate way to manage funds. There was doubt whether the MPO had enough funds to seek advice on an investment portfolio, though it was noted investments with LGIP were ideal for public entities with access to decent interest rates while leaving the money very liquid and having a \$95,000 cap. The MPO was not primarily a money-making entity, and the purpose was to ensure funding benefitted the public, which involved being smart with the funds and not getting caught up in other purposes. Fiscal stability was important to perform the function of the MPO, which needed an operational reserve, a rainy-day fund, and strategic project reserve, and those reserves would be the priority when the money was available.

Manager Deke noted the MPO had been awarding money for small projects in the \$50,000 - \$100,000 range but inflation would likely create cost increases in the future. He suggested setting aside funding to offset cost increases that could potentially interrupt projects at the point of construction.

Omar Ahmed added the rate of inflation was down, but inflated costs stayed inflated. ODOT was wrapping up scoping to estimate project construction costs for the 2027-2030 STIP cycle, which was done by inflating the numbers to provide enough cushion to ensure future project costs could be met.

Ari Mendez agreed to Chair the meeting after Vice-Chair Chang's departure during the following discussion.

8. Cascades East Transit (CET) Funding Reallocation Request

This agenda item was not addressed due to lack of quorum.

9. Deschutes County Bicycle and Pedestrian Advisory Committee (BPAC) Annual Summit Funding Request

This agenda item was not addressed due to lack of quorum.

10. 2025 Oregon Legislative Session

Manager Deke stated the 2025 Oregon Legislative Session began earlier this week and transportation funding would be a major focus area. He asked for the Board's feedback

regarding the desired level of engagement with transportation funding discussions over the next few months. He noted Staff constraints were a consideration, but the Board could potentially piggyback on City, County, or CET efforts, or submit testimony for key bills after identifying Board priorities.

The Policy Board discussed the need for Staff and ODOT employees to recuse from any lobbying efforts, with letters typically being only signed by a Chair, Vice-Chair, or elected officials within the body. It was noted that formulas for providing funding to areas in Oregon didn't account for fast growth, and Central Oregon was often shortchanged, and that other small MPOs often lacked enough funding to make an impact, and larger MPOs had other funding sources available.

Manager Deke stated the MPO may want to track a bill to end the payroll tax used to fund public transit, and potentially a separate effort to double it; a bill to eliminate the weight mile tax charged to the freight industry in favor of a per-gallon fuel tax, which could hopefully be structured to be revenue neutral; and a discussion on options for taxing electric vehicles (EVs), possibly implementing a user fee similar to the Origo program. He confirmed several I-5 or I-205 specific bills would also be discussed in legislative session. The City would not take a position on those bills but would track them closely because those projects could potentially consume a lot of funding, and some sort of funding equity conversation was needed to make sure Central Oregon, and the rest of the state were not being effectively penalized for large metro area projects.

The Policy Board discussed tracking items of interest which could be included in the Omnibus package and possibly going to Salem to try to contact members of the Joint Committee on Transportation. Massive commitments had been made to the metro region through HB2017, many of which were not fulfilled yet. If those projects made it into the next transportation package and left nothing for anyone else, regional cost sharing outside of the metro region for those projects such as tolling may be necessary. It was mentioned that the City had completed a robust process to determine legislative priorities, and had a very active Salem delegation with high hopes for achieving some good.

Commissioner Chang left the meeting at this time. Ari Mendez led the meeting from this point forward.

Chris Doty was actively involved with the Association of Oregon Counties and working with their legislative group to track and engage transportation funding discussions. He stated framework for the transportation funding bill would emerge in mid-February, likely with provisions for maintenance with Safe Routes to Schools attached, the House Bill 2017 Commitment portion with I-5 and I-205 project funding attached, and transit and alternative modes with generic funding sources.

Bob Townsend stated Cascades East Transit was tracking the Oregon Transit Association's recommended payroll tax for increase for transit. He had also seen the recommendation to cancel the payroll tax but he doubted it would succeed. He also noted he reported to the Central Oregon Intergovernmental Council (COIC) Board, and they were able to direct him to lobby for certain things, but until they voted or recommended actions, he was only allowed to discuss the possible impacts of legislation.

11. Other Business

Manager Deke reported the Transportation Safety Action Plan (TSAP) request for proposal (RFP) should move through the City's Procurement process within the week. There had been significant turnover in the City's Procurement Staff, but he would follow up with the Procurement Manager. If the TSAP was not finished on schedule, the contract with Federal Highway Administration (FHWA) would need to be adjusted to push the timeline out, as it stated a completion date of May or June 2026. The process had been expected to take 18 months, and that timeline was becoming strained.

Manager Deke noted the Oregon MPO Consortium would be meeting in one week, and ideally at least one member of the MPO Policy Board would attend the meeting.

The next scheduled meeting of the Policy Board would be February 21, 2025, at 12:00 p.m. Manager Deke shared a list of potential topics for upcoming meetings.

12. Public Comment

Russ Wallace, Redmond resident, was concerned that people on the west side of Bend would not be able to get out quickly in the event of an emergency. He noted there were no four-lane roads and only one of the six Fire Stations on the west side of the river, despite having 60,000 residents, two colleges, and several high-dollar resorts on the west side. He talked about impacts of congestion, and the possibility of residents from other areas coming to Bend for aid in the case of a tsunami or earthquake. He urged building a moratorium emphasizing the need for a way to travel out was greater than the need to bring in more people.

Ari Mendez noted emergency and disaster preparedness had been at the forefront lately at the Council level. He offered to connect Mr. Wallace with more resources by email.

13. Adjournment

Ari Mendez adjourned the meeting at 1:27 p.m.



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