

BASIN TRANSIT SERVICE TRANSPORTATION DISTRICT BOARD OF DIRECTOR'S MEETING

Wednesday, June 25, 2025

4:15 PM

Conference Call No. 1-(669)900-6833 ID: 895 3274 4276 Passcode: 641444

<https://us06web.zoom.us/j/89532744276?pwd=rRgjavBuP6RJSdsp6zVbXtL9lY5Xw5.1>

ORDER	AGENDA	TYPE
A.	CALL TO ORDER - Chairperson Oath of Office for Elected Board Members Roll Call/Announcement of Quorum	Action
B.	PLEDGE OF ALLEGIANCE	
C.	INTRODUCTION OF GUESTS	
D.	PUBLIC COMMENT: Members of the Public are invited to address the Board on items not listed on the agenda that are within the scope and jurisdiction of the District. Comments are limited to three (3) minutes per person.	
E.	CONSENT AGENDA All item(s) listed below are considered to be routine by the Board and will be enacted by one motion. Request approval - Board of Directors Meeting Minutes for May 2025. Approval - Budget Statement for May 2025.	Action
F.	OLD BUSINESS None	
G.	ACTION ITEMS	
(1.)	General Managers Report	Information
(1.)	Resolution 2025-06 In the Matter of adopting budget,making appropriations, imposing, and categorizing the tax for fiscal year 2025-2026	Action
(2.)	Approval for Chair of Board of Directors to sign 2025-2027 STIF Agreement No. 35827	Action

(3.) Resolution 2025-07 In the Matter of approving 2025-2028 management wage increases **Action**

(4.) Approval for 18 JUL Operations Closure for Readiness & Safety for Saturday/Sunday service **Action**

H. NEW BUSINESS - Discussion Only Items

I. ADJOURNMENT

This meeting is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting by calling Basin Transit Service at 541-883-2877.

BASIN TRANSIT SERVICE TRASPORTATION DISTRICT
BOARD OF DIRECTOR'S MEETING

May 28, 2025

The regular meeting of the Basin Transit Service Board of Directors held in person and by video conference (Zoom) at 1130 Adams Street, Klamath Falls, Oregon following public notice in accordance with ORS 192.620.

MEMBERS' PRESENT:

Eric Noble

Nora Foster

Sandra Fox

Craig Fleck

Perry Andrews

ABSENT: Edwin Tuhy

STAFF PRESENT:

Adrian Mateos
Michael Stinson
Craig Johnston
Crystal Entriken
Nathan Ratliff

General Manager Grant
Manager Operations Manager
Mobility Manager Legal
Counsel

GUESTS PRESENT:

Boyer Lievsay
Ken Weaver
Brent Hublitz
Dan Ballard
Phillip Plumondore
Aria Bettinger
Nicole Truitt

Transit Operator
Transit Operator
Transit Operator
Transit Operator Transit
Operator
Auditor
Auditor

A. Call To Order – Eric Noble

Roll call/announcement of quorum at 5:18 PM

B. Pledge of Allegiance

C. Public Comment – None

D. GENERAL MANAGER'S REPORT

Mr. Matoes discussed the Demand Service Contract. 1 applicant under review. In May, The Collective bargaining Agreement is in the approval stages. Meet the bus did 4 events to public schools. Risk management The Safety Committee members make a significant contribution to safety inspection finding. Will continue to prioritize single and AUP Audits following completion of FY 21-22. Actively addressing the D & A program.

BTS Board of Directors Mtg. 5-28-25

E. CONSENT AGENDA

All item(s) listed below are considered to be routine by the Board and will be enacted by one motion. Approval - Board of Directors Meeting Minutes for April 2025. Approval Budget Statement for April 2025 Pending final audit of financial records and statements.

Motion: Mr. Andrews moved, seconded: Craig Fleck for the Board of Directors meeting minutes for April 23rd, 2025, and D & A program pending final audit of the financial records and statements. Absent: None Nays: None. Yea: Mr. Noble Ms. Fox, Mr. Fleck, Mr. Andrews, Mr. Tuhy and Nora Foster. Passed: unanimously.

G. Old Business - None

H. Action Items

1. KPD provided a presentation of the FY22 single audit report. While the document is still in draft form, it reports the highlights of the auditor's findings. Material and significant weaknesses are identified. The auditor stated that most items are already corrected or a corrective action plan is in place.
2. **Resolution 2025-05 Collective Bargaining Agreement for July 1 to June 30th, 2028.** Mr. Mateos briefly explained the agreement as much as he could at this time due to still needing to be voted on. Board member Mr. Fleck wanted the wording changed of Adopting to Approving. **Motion: Mr. Fleck moved, seconded: Mr. Tuhy for the Board of Directors to Approve Collective Bargaining Agreement. Absent: None Nays: None. Yea: Mr. Noble, Ms. Fox, Mr. Fleck, Mr. Andrews, Mr. Tuhy and Nora Foster. Passed: unanimously.**
3. **Oregon STIF Formula Program Motion: Mr. Andrews, Seconded: Mr. Fleck**
Mr. Andrews for the Board of directors to Approve STIF Program. Absent: None, Nays: None, Mr. Noble, Ms. Fox, Nora Foster, Mr. Tuhy. Passed: unanimously.

I. New Business – None

J. Executive Session

The Board adjourned into Executive Session at 4:15 PM to Consultation with Labor Negotiator: ORS 192.660(2)(d) to deliberate with persons designated by the Board to carry on labor negotiations on its behalf. The Board reconvey at 5:18 PM for Public Meeting

K. Adjournment: The Board having no further business, Mr. Noble adjourns the meeting at 5:52 pm.

Recording Secretary for Session: Crystal Entriken

Basin Transit Service Transportation District

Bank Balance Report as of May 31, 2025

	May 31, 2025		May 31, 2024	
Checking General -Umpqua Bank	\$	143,434.47	\$	158,019.79
Checking Taxes-Umpqua Bank	\$	8,918.53	\$	8,918.53
Money Market	\$	780,299.38	\$	3,172,187.70
Petty Cash	\$	125.00	\$	125.00
Certificate of Deposits	\$	321,848.84	\$	321,242.95
LGIP Accounts				
LGIP Operations	\$	866,919.49	\$	-
LGIP STIF Payroll In District	\$	1,648,457.05	\$	-
LGIP STIF Population Out of District	\$	176,419.03	\$	-
LGIP STIF Population In District	\$	264,479.59	\$	-
LGIP Capital Reserve	\$	75,037.81	\$	-
LGIP STIF Payroll Out of District	\$	650,283.39	\$	-
Total LGIP Balance	\$	3,681,596.36	\$	-
Total Current Assets		<u>\$ 4,936,222.58</u>	<u>\$ 3,660,493.97</u>	

Basin Transit Service
Klamath Falls, Oregon
Statement of Revenue and Expenses
For the Eleven Months Ending May 31, 2025

	Current Month Actual	Year to Date	% Budget Spent	Annual Budget	Over (Under) Budgets
<u>Revenues</u>					
Cash on Hand - Gen Fund	0	1,385,577	86.94	1,593,753	(208,176)
State & Federal Revenues	480,269	2,153,927	65.43	3,292,036	(1,138,109)
Other Revenues	4,381	95,517	89.16	107,125	(11,608)
Taxes Collected in Year Levied	10,013	1,590,840	101.21	1,571,789	19,051
	<hr/>	<hr/>		<hr/>	<hr/>
Total Revenues	494,663	5,225,861	79.61	6,564,703	(1,338,842)
<u>Expenses</u>					
Total Personnel Expense	185,873	2,320,311	81.15	2,859,279	(538,968)
Total Operational Expense	126,341	1,142,823	72.17	1,583,541	(440,718)
Total Capital Expenditures	42,896	218,222	32.89	663,476	(445,254)
Transfer to other Funds	75,000	75,000	100.00	75,000	0
Operating Contingency Exp	0	0	0.00	75,000	(75,000)
Reserve Future Exp	0	0	0.00	8,407	(8,407)
Unappr Ending Fund Bal Exp	0	0	0.00	1,300,000	(1,300,000)
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Total Expenses	430,110	3,756,356	57.22	6,564,703	(2,808,347)
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Excess of Rev. Over (Under) Exp.	64,553	1,469,505	0.00	0	1,469,505

Basin Transit Service
For the Eleven Months Ending May 31, 2025
Financial Revenues - General Fund

	Current Month	Year to Date	% of Budget	Annual Budget	Over (Under) Budget
Cash On Hand	0	1,385,577	86.94	1,593,753	(208,176)
<u>State - Federal Revenues</u>					
STIF Grant	0	641,794	40.90	1,569,339	(927,545)
STIF Discretionary Grant	0	0	0.00	169,342	(169,342)
Rural Veterans Grants	0	2,445	4.33	56,429	(53,984)
Public Transit Assistance	0	196,688	119.20	165,000	31,688
5304 Planning Grant	0	0	0.00	40,000	(40,000)
5310 Formula Grant	0	351,163	134.20	261,671	89,492
5311 Formula Grant	380,775	862,343	96.80	890,876	(28,533)
5339 Federal Grant	99,494	99,494	71.38	139,379	(39,885)
Total State - Federal Revenue	480,269	2,153,927	65.43	3,292,036	(1,138,109)
<u>Other Revenues</u>					
Fixed Route Fares	3,143	65,760	117.85	55,800	9,960
Basin Lift Fares	338	17,993	44.98	40,003	(22,010)
Misc Income	0	626	25.04	2,500	(1,874)
Interest Income	900	900	279.50	322	578
Surplus Sales Income	0	0	0.00	5,000	(5,000)
Insurance Claims	0	8,747	249.91	3,500	5,247
Travel & Training Reimb.	0	1,491	0.00	0	1,491
Total Other Revenues	4,381	95,517	89.16	107,125	(11,608)
<u>Capital Resources</u>					
Total Capital Resources	0	0	0.00	0	0
Total Resources, Except Tax to be Levied	484,650	3,635,021	72.80	4,992,914	(1,357,893)
Tax Collected / YR Levied	8,249	1,554,645	101.62	1,529,789	24,856
Previous Levied Tax	1,764	36,195	86.18	42,000	(5,805)
Total Revenues	494,663	5,225,861	79.61	6,564,703	(1,338,842)

Basin Transit Service
Klamath Falls, Oregon
For the Eleven Months Ending May 31, 2025

	<u>Personnel Services</u>				
	Current Month	Year to Date	% of Budget	Annual Budget	Over (Under) Budget
Wages - Admin	25,038	414,952	103.79	399,817	15,135
Wages- Operations	90,998	1,028,758	78.36	1,312,800	(284,042)
Wages - Maintenance	24,763	288,586	83.62	345,135	(56,549)
Workman's Comp Expense	39	38,863	90.74	42,830	(3,967)
Medicare Taxes Expense	2,023	24,906	86.06	28,939	(4,033)
Employment Insurance Expense	2,372	19,836	110.43	17,962	1,874
Disability/Accident/Life Exp.	790	9,325	94.90	9,826	(501)
Paid Leave Oregon Exp	558	6,871	86.07	7,983	(1,112)
Medical & Dental Insurance	26,894	331,051	67.64	489,420	(158,369)
Employer Retirement Exp	3,747	50,668	62.69	80,829	(30,161)
FICA Tax	8,651	106,495	86.06	123,738	(17,243)
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Total Personal Services	185,873	2,320,311	81.15	2,859,279	(538,968)

Basin Transit Service
For the Eleven Months Ending May 31, 2025

	<u>Materials & Services</u>				
	Current Month	Year to Date	% of Budget	Annual Budget	Over (Under) Budget
Utilities Expense	1,943	30,597	136.34	22,441	8,156
Telephone Expense	1,500	29,090	241.75	12,033	17,057
Internet & Email Expense	70	770	9.06	8,500	(7,730)
Print & Duplication Expense	686	11,960	65.77	18,185	(6,225)
Public Information Expense	50	725	10.70	6,775	(6,050)
Legal Advertising Expense	0	0	0.00	3,500	(3,500)
Insurance Expense	0	141,386	97.83	144,525	(3,139)
Travel & Meals Expense	1,140	3,038	30.38	10,000	(6,962)
Training Expense	810	9,670	48.35	20,000	(10,330)
Maintenance Bldg / Ground	2,195	32,515	224.24	14,500	18,015
Maintenance Equipment Exp.	0	1,379	17.29	7,975	(6,596)
Engineering Expense	0	0	0.00	50,000	(50,000)
Legal Expense	5,280	25,549	106.45	24,000	1,549
Finance Expense	56,540	147,838	180.29	82,000	65,838
Personnel Expense	185	28,259	224.28	12,600	15,659
Planning Expense	0	0	0.00	100,000	(100,000)
On Demand Svc Contact Exp	20,000	240,000	100.00	240,000	0
Mobility Mgt Training Material	0	1,510	15.10	10,000	(8,490)
Veterans Mat & Svcs Exp	3,311	11,835	30.80	38,420	(26,585)
Employee Events	370	6,607	110.12	6,000	607
Memberships Expense	0	9,668	148.74	6,500	3,168
Bank Fees	376	5,456	433.02	1,260	4,196
Election Expense	6,500	6,500	92.86	7,000	(500)
Radio Technology Expense	0	127	3.63	3,500	(3,373)
Other Contract Services Exp	9,965	84,883	188.63	45,000	39,883
Computer & Software Expense	2,877	24,332	313.96	7,750	16,582
Cleaning Supplies Exp	582	3,501	100.03	3,500	1
Office Supplies Expense	781	14,559	223.98	6,500	8,059
Safety Supplies Expense	559	3,445	53.83	6,400	(2,955)
Publications & Subscriptions	344	648	129.60	500	148
Postage & Shipping	14	1,766	73.58	2,400	(634)
Employee Recognition	0	266	6.65	4,000	(3,734)
Shop Supplies	1,227	5,793	0.00	0	5,793
Office Equipment	0	2,544	0.00	0	2,544
Clothing & Gear Expense	148	14,139	89.18	15,855	(1,716)
Basin Connect - South	2,116	40,955	34.04	120,330	(79,375)
Basin Connect - North	0	714	0.00	0	714
Tools & Equipment Exp	134	4,669	46.69	10,000	(5,331)

Basin Transit Service
For the Eleven Months Ending May 31, 2025

	<u>Materials & Services</u>				
	Current	Year to	% of	Annual	Over (Under)
	Month	Date	Budget	Budget	Budget
Parts & Components Exp	3,964	33,615	39.55	85,000	(51,385)
Fuel Expense	0	79,256	34.61	228,981	(149,725)
Oil/Lubricant/Antifreeze Exp	213	4,763	50.14	9,500	(4,737)
Tire & Wheel Expense	192	14,058	42.02	33,457	(19,399)
Vendor Repair F/R	100	8,553	38.88	22,000	(13,447)
Basin Lift - Parts Expense	639	13,475	105.27	12,800	675
Basin Lift - Fuel Expense	0	24,023	28.96	82,964	(58,941)
Basin Lift - Oil / Lubricant	39	245	29.17	840	(595)
Basin Lift - Tires / Wheels	46	1,498	20.24	7,400	(5,902)
Basin lift - Vendor Repair	0	3,075	36.18	8,500	(5,425)
Bus Stop / Shelter Repair	0	2,651	35.35	7,500	(4,849)
Other Material & Supplies Exp	1,445	10,918	86.31	12,650	(1,732)
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Total Materials/Services Expenditures	126,341	1,142,823	72.17	1,583,541	(440,718)
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Basin Transit Service
Klamath Falls, Oregon
For the Eleven Months Ending May 31, 2025
Capital Expenditures

	Current Month	Year to Date	% of Budget	Annual Budget	Over (Under) Budget
Motorized Vehicle Expense	1,135	164,969	40.89	403,476	(238,507)
Office Equipment Expense	0	0	0.00	14,000	(14,000)
Shop Equipment Expense	0	0	0.00	10,000	(10,000)
PC & Comm. Equip. Expense	41,761	41,761	0.00	0	41,761
Bus Stop & Shelter Expense	0	2,719	3.58	76,000	(73,281)
Land & Building Expense	0	8,773	5.48	160,000	(151,227)
Other Capital Outlay Exp	0	0	0.00	0	0
Total Capital Expenditures	42,896	218,222	32.89	663,476	(445,254)

Basin Transit Service
Klamath Falls, OR
For the Eleven Months Ending May 31, 2025
Capital Reserve Fund

	Current Month	Year to Date	Annual Budget	Over (Under) Budget
<u>Revenues</u>				
Cash On Hand - Capital Reserve	0	321,420	320,894	(526)
Capital Revenue Interest Earn	15	429	6,418	5,989
Transfer From General Fund	75,000	75,000	75,000	0
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Total Revenues	75,015	396,849	402,312	5,463
<u>Expenseses and Transfers Out</u>				
Transfer to General Fund	0	0	0	0
Reserve for Future Exp	0	0	402,312	402,312
Unappropriated Fund Balance	0	0	0	0
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Total Expenses	0	0	402,312	402,312
Revenues Over (Under) Expenses	75,015	396,849	0	(396,849)

Basin Transit Service
Klamath Falls, Oregon
For the Seven Months Ending May 31, 2025

STIF REVENUE FUND

	Current Month	Year to Date	% of Budget	Annual Budget	Over (Under) Budget
<u>Revenues</u>					
STIF ID Payroll - BEGINNING BALANCE	0	1,422,731	102.55	1,387,316	35,415
STIF OD Payroll - BEGINNING BALANCE	0	621,926	102.24	608,288	13,638
STIF ID Population - BEGINNING BALANCE	0	249,914	98.24	254,389	(4,475)
STIF OD Population - BEGINNING BALANCE	0	117,282	100.00	117,282	0
INTEREST - ID PAYROLL	849	1,045	3.77	27,746	(26,701)
INTEREST - OD PAYROLL	335	415	3.41	12,166	(11,751)
INTEREST - ID POPULATION	136	168	3.29	5,088	(4,920)
INTEREST - OD POPULATION	91	112	4.75	2,346	(2,234)
STIF ID PAYROLL FUNDS RECEIVED	0	873,604	101.34	862,029	11,575
STIF OD PAYROLL FUNDS RECEIVED	0	184,028	103.88	177,155	6,873
STIF ID POPULATION FUNDS RECEIVED	0	102,344	100.00	102,345	(1)
STIF OD POPULATION FUNDS RECEIVED	0	78,684	100.00	78,683	1
Total Revenues	1,411	3,652,253	100.48	3,634,833	17,420
<u>Expenses</u>					
STIF ID PAYROLL FUNDS TO OTHER AGENCIES	0	0	0.00	0	0
STIF OD PAYROLL FUNDS TO OTHER AGENCIES	0	0	0.00	0	0
STIF ID POPULATION FUNDS TO OTHER AGENCIES	0	0	0.00	0	0
STIF OD POPULATION FUNDS TO OTHER AGENCIES	0	0	0.00	0	0
TOTAL FUNDS TO OTHER AGENCIES	0	0	0.00	0	0
STIF ID PAYROLL FUNDS TRANSFER TO STIF GENERAL FUND	0	416,654	36.60	1,138,550	(721,896)
STIF OD PAYROLL FUNDS TRANSFERTO GENERAL FUND	0	106,622	41.15	259,133	(152,511)
STIF ID POPULATION FUNDS TRANSFER TO GENERAL FUND	0	118,518	124.42	95,254	23,264

	Current Month	Year to Date	% of Budget	Annual Budget	Over (Under) Budget
STIF OD POPULATION FUNDS TRANSFERTO GENERAL FUND	0	0	0.00	76,402	(76,402)
TOTAL FUNDS TRANSFER TO GENERAL FUND	0	641,794	40.90	1,569,339	(927,545)
STIF ID PAYROLL FUNDS RESERVE FOR FUTURE EXP.	0	0	0.00	1,138,541	(1,138,541)
STIF OD PAYROLL RESERVE FOR FUTURE EXP.	0	0	0.00	538,476	(538,476)
STIF ID POPULATION FUNDS RESERVE FOR FUTURE EXP.	0	0	0.00	266,568	(266,568)
STIF OD POPULATION FUNDS RESERVE FOR FUTURE EXP.	0	0	0.00	121,909	(121,909)
TOTAL FUNDS IN RESERVE FOR FUTURE EXPENDITURES.	0	0	0.00	2,065,494	(2,065,494)
Total Expenses	0	641,794	17.66	3,634,833	(2,993,039)
Excess of Revenues Over (Under) Expenses	(1,411)	3,010,459		0	3,010,459



BOARD OF DIRECTORS MEETING
JUN 2025



INFORMATION

Public Comment



CONSENT AGENDA

All item(s) listed below are considered to be routine by the Board and will be enacted by one motion. Request approval - Board of Directors Meeting Minutes and Budget Statement for May 2025.



General Manager Report

Service Delivery

Primary Objective

- 30 JUN: Feeder route improvement – reduces wait times by 50% & enhances service within regular ops hours.
- JUN: Union accepted CBA

Strategic Alignment

- JUL: Board of Directors new member: Karen Bailey

Improving the Organization

Compliance

- Secretary of State written correspondence RE: audits status -- resolved
- ODOT managerial review

Managing Resources

Staffing

- FT positions 100% staffed
- 4 AUG: HR Manager returns
- JUN-AUG: Mateos medical leave; intermittent, PLO & OFLA active – absence <50%,



General Manager Report

Leading People

- JUN: Trained 1 driver zero to CDL through newly implemented program





FINANCE UPDATE

Updates

- Audit FYE 2022 Status: Should be issued by the end of this week.
- Audit FYE 2023 Status: Auditors will be starting on this Audit this week. Work is still underway to complete all required posts for this year.
- Finance Department is working to update HR and Payroll software Trinet for new benefit year and to comply with new CBA for 2026-2028 and.
- Letter from Oregon Secretary of State and outcome of communications.

Budget Status

Budget as May 31, 2025

92% of the Budget Year Complete

- **Revenues – 80%**
- **Personnel Services – 81%**
- **Materials & Services – 72%**
- **Capital Expenditures – 33%**

Taxes Collected: \$ 1,590,840 – 101%

Grants

Grants Awards for Biennium 2023-2025

- No new grants awarded for quarter.

Grants & Plans Submitted

- STIF Formula for Biennium 2025-2027 agreement is ready to sign.

Grants Available

- No other grants available at this time.

June 2025



ACTION ITEM

Resolution 2025-05 In the Matter of adopting budget, making appropriations, imposing, and categorizing the tax for fiscal year 2025-2026



ACTION ITEM

***Approval for Chair of Board of Directors to sign
2025-2027 STIF Agreement No. 35827***



ACTION ITEM

***Resolution 2025-07 In the matter of approving
2025-2028 management wage increases***



- **Management wages are proposed where the General Manager and Finance Manager receive a 15% increase over the next 3 years that would decrease the wage comparison average gap from double digits to single digits for similar positions.**
- **The Operations Manager and Human Resource Manager would receive an 8.5% increase over the next 3 years. The positions also have a higher level of responsibility that most counterparts across the State given BTS stand-alone nature, justifying the increase in pay to above calculated average.**

Basin Transit Service Transportation District
Summary for Wages & Salary Increase July 1, 2025 to June 30, 2028

Employee Summary	2026	2027	2028	Total
New Employees Receiving \$2.00 Increase	\$ 23,200	\$ -	\$ -	\$ 23,200
Employee 2.5% COLA Increase	\$ 21,586	\$ 26,539	\$ 26,934	\$ 75,059
Total	\$ 44,786	\$ 26,539	\$ 26,934	\$ 98,259
				\$ 98,259

Management Summary	2026	2027	2028	Total
Management Selective Salary Increase	\$ 36,862	\$ -	\$ -	\$ 36,862
Employee 2.5% COLA Increase	\$ -	\$ 16,816	\$ 17,505	\$ 34,321
Total	\$ 36,862	\$ 16,816	\$ 17,505	\$ 71,183
				\$ 71,183

Total Wage & Salary Increases July 1, 2025 to June 30, 2028	\$ 169,442
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- *The District achieved \$345,210 savings through its 2024 service right sizing.*
- *The District's three-year total cost of wage adjustments in accordance to the CBA and the proposed management wages is \$169,442, 58% allocated to Union staff.*
- *Vacation accrual rate increase produces an annual cost of \$18,740 and is a focused strategy for the District's ability to be valued as a long-term employment opportunity amid a public transit operator shortage crisis as well as a retention of part-time Transit Operators.*
- *The savings derived from the rightsizing effort are greater than the cost of the recalculated wages and benefits. Proposed management wages enable to close the existing gap while safeguarding the District's solvency.*



- ***Board of Directors Decision Options:***
 - ***Consider resolution for approval***
 - ***Schedule further discussion/data collection for July Board of Directors meeting***



ACTION ITEM

Approval for 18 JUL (Friday) Operations Closure for Readiness & Safety for Saturday/Sunday service



- Full Routes Service
- 4-5 Vehicles for Extended Service
Altamont - Base
- Coordination w/Senior Center for
paratransit services
- Coordination w/County for additional
high occupancy stop
 - Anticipate +3K riders



NEW BUSINESS



BOARD OF DIRECTORS MEETING
JUN 2025

**BEFORE THE BOARD OF DIRECTORS
OF
BASIN TRANSIT SERVICE TRANSPORTATION DISTRICT**

**IN THE MATTER OF ADOPTING BUDGET, MAKING)
APPROPRIATIONS, IMPOSING, AND CATEGORIZING)
THE TAX FOR FISCAL YEAR 2025 -2026)** **RESOLUTION AND ORDER
NO. 2025-06**

WHEREAS, this matter came before the Board of Directors at it's meeting of June 25, 2025; and

RESOLUTION ADOPTING THE BUDGET

BE IT RESOLVED that the Board of Directors for Basin Transit Service Transportation District hereby adopts the budget for fiscal year 2025 -2026 in the total amount of **\$11,295,131** This budget is now on file at 1130 Adams Street in Klamath Falls, Oregon.

RESOLUTION MAKING APPROPRIATIONS

BE IT RESOLVED that the amounts shown below are hereby appropriated for the fiscal year beginning July 1, 2025, for the following purposes:

General Fund		STIF Revenue Fund	
Transit Services	\$ 5,192,709	Interfund Transfers	\$ 1,942,161.00
Transfer Out	\$ 75,000	Grants to Subrecipients	\$ 22,653
Contingency	\$ 75,000	Total	\$ 1,964,814.00
Total	\$ 5,342,709.00		
		Capital Reserve Fund	
		Capital Projects	\$ -
		Total	\$ -
		Total Appropriations, All Funds	\$ 7,307,523
		Total Unappropriated and Reserve Amounts, All Funds	\$ 3,987,608
		TOTAL ADOPTED BUDGET	\$ 11,295,131

RESOLUTION IMPOSING THE TAX

BE IT RESOLVED that the following ad valorem property taxes are hereby imposed upon the assessed values of all taxable property within the district for tax year 2025-2026:

1. At the rate of \$0.4822 per \$1,000 of assessed value for permanent tax rate;

RESOLUTION CATAGORIZING THE TAX

BE IT RESOLVED that the taxes imposed are hereby categorized for the purposes of Article XI section 11b as:

Subject to the General Government Limitation

Permanent Rate Tax of \$0.4822 / \$1,000

The above resolution statements were approved and declared adopted on this 25th day of June 2025.

BOARD OF DIRECTORS, BASIN TRANSIT
SERVICE TRANSPORTATION DISTRICT

Eric Nobel, CHAIRPERSON

Crystal Entriken, RECORDING SECRETARY

PUBLIC TRANSPORTATION DIVISION OREGON DEPARTMENT OF TRANSPORTATION

STIF FORMULA PROGRAM

This Grant Agreement ("Agreement") is made and entered into by and between the **State of Oregon**, acting by and through its Department of Transportation, Public Transportation Division, hereinafter referred to as "State," and **Basin Transit Service Transportation District**, acting by and through its Governing Body, hereinafter referred to as "Recipient," and collectively referred to as the "Parties." Recipient is a "Qualified Entity" as that term is defined in ORS 184.752(2).

AGREEMENT

1. **Authority.** ORS 184.766(2).
2. **Effective Date.** This Agreement shall become effective on the later of **July 1, 2025** or the date when this Agreement is fully executed and approved as required by applicable law. Unless otherwise terminated or extended, grant funds under this Agreement shall be available for eligible project costs incurred on or after the Effective Date and on or before **June 30, 2027** (the "Expiration Date").
3. **Agreement Documents.** This Agreement consists of this document and the following documents, all of which are attached hereto and incorporated herein by reference:

Exhibit A: Project Description

Exhibit B: Financial Information

Exhibit C: Contractor Insurance Requirements

Exhibit D: Approved Statewide Transportation Improvement Fund (STIF) Plan

In the event of a conflict between two or more of the documents comprising this Agreement, the language in the document with the highest precedence shall control. The precedence of each of the documents comprising this Agreement is as follows, listed from highest precedence to lowest precedence: this Agreement without Exhibits; Exhibit A; Exhibit D; Exhibit B; Exhibit C.

4. **Grant Funds; STIF Plan Maximum; Reserve Payment.** In accordance with the terms and conditions of this agreement and applicable administrative rules:
 - a. State will provide Recipient with up to an amount of funds ("Grant Funds") not to exceed the lesser of:
 - i. The total amount of Grant Funds calculated using the methods described in OAR 732-042-0010(4) ("QE Allocation"); or
 - ii. \$2,697,793.00, which is the amount of total funding sought in Recipient's STIF Plan, as that term is defined in OAR-732-040-0005(35), and approved by the OTC ("STIF Plan Maximum").
 - b. If the QE Allocation exceeds the STIF Plan Maximum, ODOT will hold in reserve an amount of Grant Funds that equals the difference between the QE Allocation and the STIF Plan Maximum ("Reserve Payment"). Recipient will receive the Reserve Payment at the beginning of the next biennium, after its STIF plan for the next biennium is approved by OTC, as part of its first quarterly disbursement. The Reserve Payment will count towards the maximum Grant Funds available to Recipient under its OTC-approved STIF plan for the next biennium.
5. **Project.** The Grant Funds shall be used solely for the project(s) described in Exhibit A (the "Project") and shall not be used for any other purpose.
6. **Progress Reports.** Recipient shall submit quarterly progress reports ("Reports") to State no later than forty-five (45) days after the close of each quarterly reporting period. Reporting

periods are July through September, October through December, January through March, and April through June. Reports must be in a format acceptable to State and must be entered into the Oregon Public Transit Information System (OPTIS), which may be accessed at <https://www.oregon.gov/odot/RPTD/Pages/optis.aspx>. Reports shall include a statement of revenues and expenditures for each quarter, project progress, and measures achieved. State reserves the right to request such additional information as may be necessary to comply with federal or state reporting requirements.

7. Disbursement and Recovery of Grant Funds.

Disbursement Generally. During the 2025-2027 biennium, State shall make quarterly installment payments of the Grant Funds to Recipient within sixty (60) days of the beginning of each calendar quarter described in Section 5. State shall determine the amount of each quarterly payment based on the amount of Grant Funds divided by the number of calendar quarters for which payments are scheduled to be made, with any adjustments as may be determined by State if Grant Funds are adjusted as provided in Section 4.

a. **Conditions Precedent to Disbursement.** State's obligation to disburse funds to Recipient is subject to satisfaction, with respect to each disbursement, of each of the following conditions precedent:

- i. State has received funding, appropriations, limitations, allotments or other expenditure authority sufficient to allow State, in the exercise of its reasonable administrative discretion, to make the disbursement.
- ii. Recipient is in compliance with the terms of this Agreement, Recipient's STIF Plan, STIF program administrative rules (OAR chapter 732, divisions 40 and 42) and STIF statutes (ORS 184.751-184.766).
- iii. Recipient's representations and warranties set forth in Section 8 hereof are true and correct on the date of disbursement with the same effect as though made on the date of disbursement.
- iv. Any audit findings relating to Recipient's use of Grant Funds under this Agreement or any other agreement with State have been resolved.

b. Recovery of Grant Funds

- i. **Recovery of Misexpended Grant Funds.** Any Grant Funds disbursed to Recipient under this Agreement that are expended in violation or contravention of one or more of the provisions of this Agreement, Recipient's STIF plan, STIF program administrative rules (OAR chapter 732, divisions 40 and 42) or STIF statutes (ORS 184.751-.766) ("Misexpended Grant Funds") must be returned to State. Recipient shall return all Misexpended Grant Funds to State no later than fifteen (15) days after State's written demand.
- ii. **Recovery of Grant Funds upon Termination.** If this Agreement is terminated under either Section 10(a)(i) or Section 10(a)(v) below, Recipient shall return to State all funds disbursed to Recipient within 15 days after State's written demand for the same.
- iii. **Recovery of Grant Funds for Violation of Agreement.** Pursuant to ORS 184.766(2), Recipient shall repay, in full, distributions paid to Recipient, if the Oregon Transportation Commission determines that Recipient has failed to meet or comply with any terms or conditions of this Agreement, Recipient's STIF plan, STIF program administrative rules (OAR chapter 732, divisions 40 and 42) or STIF statutes (ORS 184.751-.766).

8. Representations and Warranties of Recipient. Recipient represents and warrants to State as follows:

- a. **Organization and Authority.** Recipient is duly organized and validly existing under the laws of the State of Oregon and is eligible to receive the funds. Recipient has full power, authority, and legal right to make this Agreement and to incur and perform its obligations hereunder, and the making and performance by Recipient of this Agreement

(1) have been duly authorized by all necessary action of Recipient and (2) do not and will not violate any provision of any applicable law, rule, regulation, or order of any court, regulatory commission, board, or other administrative agency or any provision of Recipient's Articles of Incorporation or Bylaws, if applicable, (3) do not and will not result in the breach of, or constitute a default or require any consent under any other agreement or instrument to which Recipient is a party or by which Recipient or any of its properties may be bound or affected. No authorization, consent, license, approval of, filing or registration with or notification to any governmental body or regulatory or supervisory authority is required for the execution, delivery or performance by Recipient of this Agreement.

- b. **Binding Obligation.** This Agreement has been duly executed and delivered by Recipient and constitutes a legal, valid and binding obligation of Recipient, enforceable in accordance with its terms subject to the laws of bankruptcy, insolvency, or other similar laws affecting the enforcement of creditors' rights generally.
- c. **No Solicitation.** Recipient's officers, employees, and agents shall neither solicit nor accept gratuities, favors, or any item of monetary value from contractors, potential contractors, or parties to subcontracts, except as permitted by applicable law. No member or delegate to the Congress of the United States or State of Oregon employee shall be admitted to any share or part of this Agreement or any benefit arising therefrom.
- d. **No Debarment.** Neither Recipient nor its principals is presently debarred, suspended, or voluntarily excluded from any federally-assisted transaction, or proposed for debarment, declared ineligible or voluntarily excluded from participating in this Agreement by any state or federal agency. Recipient agrees to notify State immediately if it is debarred, suspended or otherwise excluded by any state or federal agency or if circumstances change that may affect this status, including without limitation upon any relevant indictments or convictions of crimes.

The warranties set in this section are in addition to, and not in lieu of, any other warranties set forth in this Agreement or implied by law.

9. **Records Maintenance and Access; Audit.**

- a. **Records, Access to Records and Facilities.** Recipient shall make and retain proper and complete books of record and account and maintain all fiscal records related to this Agreement and the Project in accordance with all applicable generally accepted accounting principles, generally accepted governmental auditing standards and state minimum standards for audits of municipal corporations. Recipient shall require that each of its subrecipients and contractors complies with these requirements. State, the Secretary of State of the State of Oregon ("Secretary") and their duly authorized representatives shall have access to the books, documents, papers and records of Recipient that are directly related to this Agreement, the Grant Funds provided hereunder, or the Project for the purpose of making audits and examinations. In addition, State, the Secretary, and their duly authorized representatives may make and retain excerpts, copies, and transcriptions of the foregoing books, documents, papers, and records. Recipient shall permit authorized representatives of State and the Secretary to perform site reviews of the Project, and to inspect all vehicles, real property, facilities and equipment purchased by Recipient as part of the Project, and any transportation services rendered by Recipient.
- b. **Retention of Records.** Recipient shall retain and keep accessible all books, documents, papers, and records that are directly related to this Agreement, including, without limitation, records relating to capital assets funded by this Agreement, the Grant Funds or the Project for a minimum of six (6) years, or such longer period as may be required by other provisions of this Agreement or applicable law, following the Expiration Date. If there are unresolved audit questions at the end of the six (6) year period, Recipient shall retain the records until the questions are resolved.
- c. **Expenditure Records.** Recipient shall document the expenditure of all Grant Funds disbursed by State under this Agreement. Recipient shall create and maintain all expenditure records in accordance with generally accepted accounting principles and in

sufficient detail to permit State to verify how the Grant Funds were expended.

d. Audit Requirements.

- i. Recipient shall comply with the audit and compliance review requirements set out in OAR 732-040-0015 and, at Recipient's own expense, submit to State, Public Transportation Division, 355 Capitol Street N.E., MS43, Salem, Oregon, 97301-4179 or ODOTPTDreporting@odot.oregon.gov, a copy of, or electronic link to, any annual audit covering the Grant Funds expended under this Agreement by Recipient or a party to any contract with Recipient, as well as the annual audit of any subrecipient(s), contractor(s), or subcontractor(s) of Recipient responsible for the financial management of Grant Funds received under this Agreement.
- ii. Recipient shall save, protect and hold harmless State from the cost of any audits or special investigations performed by the Secretary with respect to the Grant Funds expended under this Agreement. Recipient acknowledges and agrees that any audit costs incurred by Recipient as a result of allegations of fraud, waste or abuse are ineligible for reimbursement under this or any other agreement between Recipient and State.
- iii. Recipient shall provide State with documentation of compliance with ODOT's STIF Agreed Upon Procedures (AUP) for audits. Documentation of compliance with ODOT's STIF AUP for audits is due 30 days after the Recipient's receipt of the auditor's final report of the Recipient's annual audit, or by a date established by rule, each year this agreement is in effect.

This Section 9 shall survive any expiration or termination of this Agreement.

10. Recipient Contracts and Procurements

Recipient may enter into contracts with subrecipients or contractors ("contractor") for performance of the Project. If Recipient enters into a contract, Recipient agrees to comply with the following:

a. Contracts.

- i. All contracts must be in writing, executed by Recipient and must incorporate and pass through all of the applicable requirements of this Agreement to the other party or parties to the contract(s). Use of a contract does not relieve Recipient of its responsibilities under this Agreement.
- ii. Recipient shall require all of its contractors performing work under this Agreement to name State as a third-party beneficiary of Recipient's contract with the contractor.
- iii. Recipient shall require its construction contractor to submit a performance bond and payment bond to Recipient for an amount equal to or greater than the estimated cost of the construction contract price. Recipient shall require its construction contractor to name State as an additional or dual obligee on construction contractors' performance and payment bonds.
- iv. Recipient shall provide State with a copy of any signed contract, as well as any other purchasing or contracting documentation, upon request by State. This subparagraph shall survive expiration or termination of this Agreement.
- v. Recipient must report to State any material breach of a term or condition of a contract within ten (10) days of Recipient discovering the breach.

b. Contract Indemnification.

- i. **Recipient's contracts(s) shall require the other party to such contract(s) that is not a unit of local government as defined in ORS 190.003, if any, to indemnify, defend, save and hold harmless the State of Oregon, the Oregon Transportation Commission, and the Oregon Department of Transportation and their officers, members, employees and agents from and against any and all claims, actions, liabilities, damages, losses, cost or expenses, including attorneys' fees, of any nature whatsoever resulting from arising out of or related to, in whole or in part, the negligent or willful acts or omissions of the other party to Recipient's contract or any of such**

party's officers, agents, employees or subcontractors ("Claims"). It is the specific intention of the Parties that the State shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the State, be indemnified by the other party to Recipient's contract(s) from and against any and all Claims.

- ii. **Any such indemnification shall also provide that neither Recipient's subrecipient(s), contractor(s) nor subcontractor(s) (collectively "Contractor"), nor any attorney engaged by Recipient's contractor(s), shall defend any claim in the name of the State or any agency of the State of Oregon, nor purport to act as legal representative of the State of Oregon or any of its agencies, without the prior written consent of the Oregon Attorney General. The State may, at any time at its election, assume its own defense and settlement in the event that it determines that Recipient's contractor is prohibited from defending State or that Recipient's contractor is not adequately defending State's interests, or that an important governmental principle is at issue or that it is in the best interests of State to do so. State reserves all rights to pursue claims it may have against Recipient's contractor if the State of Oregon elects to assume its own defense.**
- iii. Recipient shall include provisions in each of its contracts requiring its contractor(s) to comply with the indemnification requirements within this Contract Indemnification section.

c. Contractor Insurance.

- i. Recipient shall require its contractors(s) to meet the minimum insurance requirements provided in Exhibit C. Recipient shall perform a risk assessment for the work to be performed under its contract(s) and may specify insurance requirements of its contractor(s) above the minimum insurance requirements specified in Exhibit C. Recipient shall verify its contractor(s) meet the insurance requirements in Exhibit C.
 - ii. Recipient shall require its contractor(s) to require and verify that all subcontractors carry insurance coverage deemed appropriate based on the risk of the subcontracted work.
 - iii. Recipient shall include provisions in each of its contrast requiring its contractor(s) to comply with the insurance requirements within this Contract Insurance section.
- d. Procurements.** Recipient shall make purchases of any equipment, materials, or services for the Project under procedures that comply with Oregon law, including all applicable provisions of the Oregon Public Contracting Code, Oregon Revised Statutes (ORS) 279 A, B and C, and rules, ensuring that all procurement transactions are conducted in a manner providing full and open competition. In addition, the Recipient shall:
- i. obtain approval from State, prior to solicitation, of any procurements for rolling stock, facilities and personal services for any amount, and all procurements for an amount greater than \$100,000.
- e. Conflicts of Interest.** Recipient's public officials shall comply with Oregon's government ethics laws, ORS 244.010 et seq., as those laws may be subsequently amended.

11. Termination and Additional Remedies

- a. Termination by State.** State may terminate this Agreement effective upon delivery of written notice of termination to Recipient, or at such later date as may be established by State in such written notice, under any of the following circumstances:
 - i. If Recipient fails to perform the Project within the time specified in this Agreement or any extension thereof or commencement, continuation or timely completion of the Project by Recipient is, for any reason, rendered improbable, impossible, or illegal;
 - ii. State fails to receive funding, appropriations, limitations or other expenditure authority sufficient to allow State, in the exercise of its reasonable administrative

- discretion, to continue to make payments for performance of this Agreement;
- iii. If Federal or state laws, rules, regulations or guidelines are modified or interpreted in such a way that the Project is no longer allowable or no longer eligible for funding under this Agreement;
 - iv. If the Project would not produce results commensurate with the further expenditure of Grant Funds;
 - v. If Recipient has failed to comply with: (a) any provision of this Agreement, (b) Recipient's STIF plan, (c) STIF program administrative rules (OAR chapter 732, divisions 40 and 42) or (d) STIF statutes (ORS 184.751-184.766); or
 - vi. If Recipient takes any action pertaining to this Agreement without the approval of State and which under the provisions of this Agreement would have required the approval of State.
- b. **Additional Remedies Available to the State.** If Recipient has failed to comply with any provision of this Agreement, Recipient's STIF plan, STIF program administrative rules (OAR chapter 732, divisions 40 and 42) or STIF statutes (ORS 184.751-184.766) or takes any action pertaining to this Agreement without the approval of State and which under the provisions of this Agreement would have required the approval of State, then State may, in its sole discretion, impose remedies in addition to or in lieu of termination under Section 10.a.(v) and 10.a.(vi) above. Such remedies include, without limitation, (i) imposing additional reporting requirements on Recipient; (ii) withholding further distribution of Grant Funds; and (iii) the partial or full recovery of Grant Funds already distributed to Recipient.
- c. **Termination by Recipient.** Recipient may terminate this Agreement effective upon delivery of written notice of termination to State, or at such later date as may be established by Recipient in such written notice:
- i. Upon notification to State of its desire to withdraw from eligibility to receive the Grant Funds and providing to State a reason acceptable to State for the withdrawal; or
 - ii. If federal or state laws, rules, regulations or guidelines are modified or interpreted in such a way that the Project is no longer allowable or no longer eligible for funding under this Agreement.
- d. **Termination by Either Party.** Either Party may terminate this Agreement upon at least ten (10) days' notice to the other Party and failure of the other Party to cure within the period provided in the notice, if the other Party fails to comply with any of the terms of this Agreement.

12. General Provisions

- a. **Contribution.** For purposes of this Section 12.a., the term "State" means "the State of Oregon, the Oregon Transportation Commission, the Oregon Department of Transportation, and their respective officers, members, agents, and employees."
- i. If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 ("Third Party Claim") against State or Recipient with respect to which the other Party may have liability, the notified Party must promptly notify the other Party in writing of the Third Party Claim and deliver to the other Party a copy of the claim, process, and all legal pleadings with respect to the Third Party Claim. Each Party is entitled to participate in the defense of a Third Party Claim, and to defend a Third Party Claim with counsel of its own choosing. Receipt by a Party of the notice and copies required in this paragraph and meaningful opportunity for the Party to participate in the investigation, defense and settlement of the Third Party Claim with counsel of its own choosing are conditions precedent to that Party's liability with respect to the Third Party Claim.
 - ii. With respect to a Third Party Claim for which State is jointly liable with Recipient (or would be if joined in the Third Party Claim), State shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Recipient in such proportion as is appropriate to reflect the relative fault of the State on the

one hand and of the Recipient on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of State on the one hand and of Recipient on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. State's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law, including the Oregon Tort Claims Act, ORS 30.260 to 30.300, if State had sole liability in the proceeding.

- iii. With respect to a Third Party Claim for which Recipient is jointly liable with State (or would be if joined in the Third Party Claim), Recipient shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by State in such proportion as is appropriate to reflect the relative fault of Recipient on the one hand and of State on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of Recipient on the one hand and of State on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. Recipient's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law, including the Oregon Tort Claims Act, ORS 30.260 to 30.300, if it had sole liability in the proceeding.
- iv. This Contribution Section shall survive termination of this Agreement.
- b. **Insurance; Workers' Compensation and Employer's Liability.** All employers, including Recipient, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017 and shall provide Workers' Compensation insurance coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). The coverage shall include Employer's Liability insurance with limits not less than \$500,000 each accident. Recipient shall ensure that each of its contractor(s) complies with these requirements.
- c. **Duplicate Payment.** Recipient is not entitled to compensation or any other form of duplicate, overlapping or multiple payments for the same work performed under this Agreement from any agency of the State of Oregon or the United States of America or any other party, organization or individual.
- d. **No Third-Party Beneficiaries.** State and Recipient are the only Parties to this Agreement and are the only Parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly or indirectly, to a third person unless such a third person is individually identified by name herein and expressly described as an intended beneficiary of the terms of this Agreement.
- e. **Notices.** Except as otherwise expressly provided in this Agreement, any communications between the Parties hereto or notices to be given hereunder shall be given in writing by personal delivery, facsimile, email, or mailing the same, postage prepaid, to Recipient Contact or State Contact at the address or number set forth on the signature page of this Agreement, or to such other addresses or numbers as either Party may hereafter indicate pursuant to this section. Any communication or notice personally delivered shall be deemed to be given when actually delivered. Any communication or notice delivered by facsimile shall be deemed to be given when receipt of the transmission is generated by the transmitting machine, and to be effective against State, such facsimile transmission must be confirmed by telephone notice to State Contact. Any communication by email shall be deemed to be given when the recipient of the email acknowledges receipt of the email. Any communication or notice mailed shall be deemed to be given when received.
- f. **Governing Law, Consent to Jurisdiction.** This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles

of conflicts of law. Any claim, action, suit or proceeding (collectively, "Claim") between State (or any other agency or department of the State of Oregon) and Recipient that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Marion County in the State of Oregon. In no event shall this section be construed as a waiver by the State of Oregon of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise, from any Claim or from the jurisdiction of any court. EACH PARTY HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION OF SUCH COURT, WAIVES ANY OBJECTION TO VENUE, AND WAIVES ANY CLAIM THAT SUCH FORUM IS AN INCONVENIENT FORUM.

- g. **Compliance with Law.** Recipient shall comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to the Agreement or to the implementation of the Project, as applicable to Recipient. Without limiting the generality of the foregoing, Recipient expressly agrees to comply with (i) Title VI of Civil Rights Act of 1964; (ii) Title V and Section 504 of the Rehabilitation Act of 1973; (iii) the Americans with Disabilities Act of 1990 and ORS 659A.142; (iv) all regulations and administrative rules established pursuant to the foregoing laws; and (v) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.
- h. **Dispute Resolution.** The Parties shall attempt in good faith to resolve any dispute arising out of this Agreement. In addition, the Parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation.
- i. **Independent Contractor.** Recipient shall perform the Project as an independent contractor and not as an agent or employee of State. Recipient has no right or authority to incur or create any obligation for or legally bind State in any way. State cannot and will not control the means or manner by which Recipient performs the Project, except as specifically set forth in this Agreement. Recipient is responsible for determining the appropriate means and manner of performing the Project. Recipient acknowledges and agrees that Recipient is not an "officer", "employee", or "agent" of State, as those terms are used in ORS 30.265, and shall not make representations to third parties to the contrary.
- j. **Severability.** If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if this Agreement did not contain the particular term or provision held to be invalid.
- k. **Counterparts.** This Agreement may be executed in two or more counterparts (by facsimile or otherwise), each of which is an original and all of which together are deemed one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart.
- l. **Integration and Waiver.** This Agreement, including all Exhibits, constitutes the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. The delay or failure of either Party to enforce any provision of this Agreement shall not constitute a waiver by that Party of that or any other provision. Recipient, by the signature below of its authorized representative, hereby acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and conditions.
- m. **Survival.** The following provisions survive termination of this Agreement: Sections 7.b, 9, 12, and any Sections that by their nature survive termination.
- n. **Electronic Signatures.** Signatures showing on PDF documents, including but not limited to PDF copies of the Agreement, Work Orders, and amendments, submitted or exchanged via email are "Electronic Signatures" under ORS Chapter 84 and bind the signing Party and are intended to be and can be relied upon by the Parties. State reserves the right at any time to require the submission of the hard copy originals of any documents.

The Parties, by execution of this Agreement, hereby acknowledge that each Party has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

SIGNATURE PAGE TO FOLLOW

**Basin Transit Service Transportation
District**, by and through its

By _____
(Legally designated representative)

Name _____
(printed)

Date _____

By _____

Name _____
(printed)

Date _____

APPROVED AS TO LEGAL SUFFICIENCY

(If required in local process)

By _____
Recipient's Legal Counsel

Date _____

Recipient Contact:

Adrian Mateos
1130 Adams St
Klamath Falls, OR 97601
1 (541) 883-2877
adrianmateos@basintransit.com

State Contact:

Jovi Arellano
355 Capitol St NE, MS43
Salem, OR 97301
1 (971) 446-8896
jovi.arellano@odot.oregon.gov

State of Oregon, by and through its
Department of Transportation

By _____
Suzanne Carlson
Public Transportation Division Administrator

Date _____

APPROVAL RECOMMENDED

By _____ Drew Orr

Date _____ 06/06/2025

APPROVED AS TO LEGAL SUFFICIENCY

(For funding over \$250,000)

By _____
Assistant Attorney General

Name _____ Nina R. Englander by email
(printed)

Date _____ 06/04/2025

Signed Agreement Return Address: ODOTPTDReporting@odot.oregon.gov

EXHIBIT A
Project Description

Project Description

Recipient shall comply with all terms of its OTC-approved STIF Plan, a copy of which is Exhibit D to this Agreement and shall complete the Projects, tasks and outcomes measures described in Section 6 of the STIF Plan ("Section 6") consistent with the expenditure estimates, also described in Section 6.

EXHIBIT B
FINANCIAL INFORMATION

This Agreement is financed by the funding source indicated below:

State Program STIF: ORS 184.758 through ORS 184.766 and OAR Chapter 732, Divisions 040, 042, and 044.	State Funding Agency Oregon Department of Transportation 355 Capitol St. N.E. Salem, OR 97301-3871		
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Administered By Public Transportation Division 355 Capitol St NE, MS43 Salem, OR 97301
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EXHIBIT C

Insurance Requirements

Contractor Insurance Requirements

1. GENERAL.

- a. Recipient shall require in its contracts with entities that are not units of local government as defined in ORS 190.003 (if any) that its subrecipients or contractors ("contractor"): i) obtain insurance specified in this Exhibit under TYPES AND AMOUNTS and meeting the requirements under ADDITIONAL INSURED, "TAIL" COVERAGE, NOTICE OF CANCELLATION OR CHANGE, and CERTIFICATES OF INSURANCE before performance under the contract commences, and ii) maintain the insurance in full force throughout the duration of the contract. The insurance must be provided by insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the state of Oregon and that are acceptable to the Recipient. Recipient shall not authorize work to begin under contracts until the insurance is in full force. Thereafter, Recipient shall monitor continued compliance with the insurance requirements on an annual or more frequent basis. Recipient shall incorporate appropriate provisions in the contract permitting it to enforce compliance with the insurance requirements and shall take all reasonable steps to enforce such compliance. In no event shall Recipient permit work under a contract when Recipient is aware that the contractor is not in compliance with the insurance requirements. All references to "contractor" in this Exhibit refer to Recipient's contractor(s) as identified in this Paragraph 1.a.
- b. The insurance specified below is a minimum requirement that the Recipient shall require each of its contractors to meet, and shall include such requirement in each of Recipient's contracts with its contractors. Recipient may determine insurance types and amounts in excess of the minimum requirement as deemed appropriate based on the risks of the work outlined within the contract.
- c. Recipient shall require each of its contractors to require that all of its subcontractors carry insurance coverage that the contractor deems appropriate based on the risks of the subcontracted work. Recipient's contractors shall obtain proof of the required insurance coverages, as applicable, from any subcontractor providing services related to the subcontractor contract(s).

2. TYPES AND AMOUNTS.

- a. **WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY.**
All employers, including Recipient's contractors, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017 and shall provide Workers' Compensation insurance coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). The coverage shall include Employer's Liability insurance with limits not less than \$500,000 each accident. **Recipient's contractors shall require compliance with these requirements in each of their subcontractor contracts.**
- b. **COMMERCIAL GENERAL LIABILITY.**
Commercial General Liability insurance shall be issued on an occurrence basis covering bodily injury and property damage and shall include personal and advertising injury liability, products and completed operations, and contractual liability coverage. When work to be performed includes operations or activity within 50 feet of any railroad property, bridge, trestle, track, roadbed, tunnel, underpass or crossing, the Recipient's contractors shall provide the Contractual Liability - Railroads CG 24 17 endorsement, or equivalent, on the Commercial General Liability policy.

Amounts below are a minimum requirement as determined by State:

Prime construction contractor: Coverage shall be written on an occurrence basis in an

amount of not less than **\$1,000,000** per occurrence. Annual aggregate limit shall not be less than **\$2,000,000**.

Other contractor(s): Coverage shall be written on an occurrence basis in an amount of not less than **\$1,000,000** per occurrence. Annual aggregate limit shall not be less than **\$2,000,000**.

c. **AUTOMOBILE LIABILITY.**

Automobile Liability insurance covering business-related automobile use covering all owned, non-owned, or hired vehicles for bodily injury and property. Amount below is a minimum requirement as determined by State: Coverage shall be written with a combined single limit of not less than **\$1,000,000**.

d. **EXCESS/UMBRELLA LIABILITY.**

A combination of primary and Excess/Umbrella Liability insurance may be used to meet the minimum required limits of insurance. If any Excess/Umbrella Liability policies are in place, they must be on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying insurance.

e. **ADDITIONAL INSURED.**

The liability coverages, except Professional Liability and Workers' Compensation/Employer's Liability, if included, must endorse the **"State of Oregon, the Oregon Transportation Commission and the Oregon Department of Transportation, and their respective officers, members, agents and employees"** as an **endorsed** Additional Insured but only with respect to the contractor's activities to be performed under the contract. Coverage shall be primary and noncontributory with any other insurance and self-insurance.

Additional Insured Endorsements on the Commercial General Liability shall be written on ISO Form CG 20 10 07 04, or equivalent, with respect to liability arising out of ongoing operations and ISO Form CG 20 37 07 04, or equivalent, with respect to liability arising out of completed operations.

Additional Insured Endorsements shall be submitted with the certificate(s) of insurance and must be acceptable to the Recipient.

f. **"TAIL" COVERAGE.**

If any of the required insurance policies is on a "claims made" basis, such as Professional Liability insurance or Pollution Liability insurance, the contractor shall maintain either "tail" coverage or continuous "claims made" liability coverage, provided the effective date of the continuous "claims made" coverage is on or before the effective date of the contract, for a minimum of twenty-four (24) months following the later of : (i) the contractor's completion and Recipient's acceptance of all services required under the contract or, (ii) the expiration of all warranty periods provided under the contract. Notwithstanding the foregoing twenty-four (24) month requirement, if the contractor elects to maintain "tail" coverage and if the maximum time period "tail" coverage reasonably available in the marketplace is less than the twenty-four (24) month period described above, then the contractor may request and State may grant approval of the maximum "tail" coverage period reasonably available in the marketplace. If State approval is granted, the contractor shall maintain "tail" coverage for the maximum time period that "tail" coverage is reasonably available in the marketplace.

3. **NOTICE OF CANCELLATION OR CHANGE.**

The contractor or its insurer must provide thirty (30) days' written notice to Recipient before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

4. **CERTIFICATE(S) OF INSURANCE.**

Recipient shall obtain from the contractor a certificate(s) of insurance for all required insurance before the contractor performs under the contract. The certificate(s) or an attached endorsement must endorse: i) **"State of Oregon, the Oregon Transportation Commission and the Oregon Department of Transportation, and their respective officers, members, agents and employees"** as an **endorsed** Additional Insured in regards to the Commercial General Liability and Automobile Liability policies and ii) that all

liability insurance coverages shall be primary and noncontributory with any other insurance and self-insurance, with exception of Professional Liability and Workers' Compensation/ Employer's Liability.

The Recipient shall immediately notify State of any change in insurance coverage.

Exhibit D

See attached OTC Approved STIF Plan 2025-27

1. Qualified Entity
- 1.2 Sub-Recipients in STIF Plan
2. Advisory Committees
- 2.1 Advisory Committee Website
3. Local Plan Compliance
- 3.1 Existing Local Plans from which project(s) are derived.
- 3.2 Local Plan Requirements
4. Accountability
- 4.1 Accountability methods
- 4.2 Sub-Allocation method
- 4.3 High Percentage of Low-Income Households
5. STIF Plan Period and Adoption
- 5.1 Period Covered by STIF Plan
- 5.2 STIF Plan Adoption
6. Projects
- 6.1 Project Detail Entry
- 6.1.1 Project Scope
- 6.1.2 Expenditure Estimates
- 6.2 Allocations of STIF funds by project
- 6.3 Oregon Public Transportation Plan Goals
- 6.4 Project Summary
7. STIF Plan Summary

BEFORE THE BOARD OF DIRECTORS
OF
BASIN TRANSIT SERVICE TRANSPORTATION DISTRICT

IN THE MATTER OF APPROVING SALARY AND)
BENEFITS FOR MANAGEMENT FOR JULY 1, 2025-)
JUNE 30, 2028)

RESOLUTION AND ORDER
NO. 2025-07

WHEREAS this matter came before the Board at its meeting of June 25, 2025; and

WHEREAS the salary and benefits for management employees required review and updating for the period of July 1, 2025-June 30, 2028, and

WHEREAS staff have reviewed the salaries for managers and performed a salary survey of like transit providers for districts, cities, and counties with disparity in level of responsibilities since most agencies fall under government agencies, and

WHEREAS staff has determined selective salary increases are recommended for all managers ranging from 3.5% to 7.5% on first year, and

WHEREAS all managers would receive cost of living increases on July 1, 2025, of 2.5%, July 1, 2026, of 2.5%, and July 1, 2027, of 2.5%, accounting for a pay increase similar or lesser to union employees, and

WHEREAS all managers would receive an increase to vacation hours similar to union employees and the new Martin Luther King Jr Holiday, s and

NOW AND THEREFORE, the Board of Directors of Basin Transit Service Transportation District of Klamath County, Oregon, RESOLVES AS FOLLOWS:

The managers of Basin Transit Service Transportation District will receive selective salary increases based on salary surveys and will receive cost of living increases as shown on the Management Salary Schedule for July 1, 2025 – June 30, 2028, Attachment “A”. Benefits for managers will be according to the Management Benefit Summary for July 1, 2025-June 30, 2028.

DATED this 25th day of June 2025

BOARD OF DIRECTORS, BASIN TRANSIT
SERVICE TRANSPORTATION DISTRICT

ERIK NOBEL, CHAIRPERSON

CRYSTAL ENTRIKEN, RECORDING SECRETARY



BASIN TRANSIT SERVICE
KLAMATH FALLS, OREGON

2 JUN 2025

MEMORANDUM FOR RECORD

SUBJECT: BTS Wages and Benefits Calculations

1. This memorandum provides clarification on District's solvency for wages, vacation, and holiday benefits calculation for management and non-management staff.
2. The District achieved \$345,210 savings through its 2024 service right sizing. The District's three-year total cost of wage adjustments in accordance to the CBA and the proposed management wages is \$169,442, where wage increases for non-management account for 58% the cost increase. Vacation accrual rate increase produces an annual cost of \$18,740 and is a focused strategy for the District's ability to be valued as a long-term employment opportunity amid a public transit operator shortage crisis as well as a retention of part-time Transit Operators. The cost of the recalculated wages and benefits remained lower than the savings derived from the rightsizing effort, resulting in providing competitive wages and ensuring the District financial stability to sustain service.
3. Management wages are proposed where the General Manager and Finance Manager receive a 15% increase over the next 3 years that would decrease the wage comparison average gap from double digits to single digits for similar positions. The table below exemplifies one of the two positions. The increase is based on market research that is complex, as many agencies in the State fall under County or City governments and the scope of duties and responsibilities is narrower when compared to BTS requirements. The table below exemplifies one of the two positions.

GENERAL MANAGER COMPARISON TABLE	
Basin Transit Service - Current	\$106,558.40
Basin Transit Service - Proposed	\$117,208.00
Sunset Empire Transit	\$119,995.20
Lincoln County	\$134,992.00
Tillamook Transit	\$124,155.20
Sandy Area Metro Transit	\$119,121.60
Average	\$124,550.40

4. The Operations Manager and Human Resource Manager would receive an 8.5% increase over the next 3 years. The positions also have a higher level of responsibility that most counterparts across the State given BTS stand-alone nature, justifying the increase in pay to above calculated average. The table below exemplifies one of the two positions and the lesser disparity with similar positions.

OPERATIONS MANAGER COMPARISON TABLE	
Basin Transit Service - Current	\$95,983.00
Basin Transit Service - Proposed	\$99,342.00
Sunset Empire Transit	\$90,646.00
Lincoln County	\$90,625.00
Sandy Area Metro Transit	\$109,366.00
Average	\$96,879.00

5. BTS's will be closed on Marthin Luther King Day effective 2026 in accordance with updated Collective Bargaining agreement, resulting in enhancing staff's quality of life and \$4,751.27 savings during a day that in 2024 and 2025 recorded 46% percent of average ridership.



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BASIN TRANSIT SERVICE
KLAMATH FALLS, OREGON

2 JUN 2025

MEMORANDUM FOR RECORD

SUBJECT: BTS Third Financial Audits Status Report Update

1. This memorandum is an update to the 8 APR 25 Financial Audits Status Report (attached status report).
2. KDP Certified Public Accountants (KDP) briefed the FY21-22 single audit draft report and FY22 AUP (attached) to the Board of Directors on 28 MAY 2025 and noted that all material or significant findings are resolved or there is a corrective action plan in place. The FY22-23 single audit will begin no later than June 15th, 2025. KDP began collecting information for FY22-23 and FY23-24 audits preemptively, leading to forecasted reduced processing times.
3. SingerLewak submitted the FY2023 STIF AUP Report draft (attached) on 29 MAY 25 and forecasts issuing it alongside the FY2024 STIF Report upon BTS response to pending deliverables that will be provided by June 20th.

ADRIAN MATEOS | GENERAL MANAGER
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MANAGERIAL REVIEW OF THE

Oregon Department of Transportation (ODOT)

Prepared for
THE OREGON LEGISLATIVE ASSEMBLY



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EXECUTIVE SUMMARY

The AtkinsRéalis and Horrocks team was engaged to conduct a managerial review of the Oregon Department of Transportation (ODOT), with a focus on its delivery of major capital projects and its organizational structure. ODOT plays a critical role in shaping the future of Oregon’s transportation infrastructure. In recent years, however, the agency

has faced increasing demands and growing projects complexity. This has revealed areas where ODOT’s current practices and organizational structure could benefit from improvement; particularly in how it manages large-scale projects, coordinates internally, and communicates with external stakeholders.

To support the Legislature in its oversight and policy role, the team conducted an independent and in-depth assessment of ODOT’s management practices. This included stakeholder interviews and high-level review of organizational structure and major projects delivery processes. Accordingly, a set of actionable recommendations were developed to

strengthen ODOT’s project delivery capacity, enhance internal efficiency, and improve transparency and accountability. These recommendations were divided into **short-term** and **long-term priorities** shown below recognizing the need to balance immediate improvements with broader, systemic reform.

CATEGORY	SHORT TERM	LONG TERM	CHALLENGES ADDRESSED
Organizational Structure and Governance	Reform the UMO into a Major Projects Group Redefine Reporting Structures for the Group Transfer the Alternate Delivery Team under the Major Projects Group Expand the Role of the Chief Engineer to Include Project Delivery Influence	Staff the Major Projects Group with Key Technical Expertise Assign CAU Contracting Support to the Major Projects Group Clarify Roles Between Regional Teams and Major Projects Group Formalize a Project Transition Protocol between the Major Projects Group and Regional Teams Designate Regional Liaisons to the Major Projects Group Create a Collaborative Policy Review Structure with Regions	   
Project Planning and Pre-Development	Codify Project Readiness Thresholds Prior to Funding Commitments Establish a Risk-Based Prioritization Framework for Scoping Investments Shorten the Timeline Between Project Programming and Construction	Integrate Cost Estimating and Scheduling into Early Planning Activities Invest in Site Investigations and Early Scoping Activities	  
Delegated Authority and Decision-Making	Clarify and Document Decision-Making Authority at All Levels Shift to a Risk-based Approval Model for Project Decisions Institutionalize a Project-Specific RACI Model for Major Projects Establish Change Order Escalation Triggers Use Experienced Consultants to Supplement Internal Staff Where Needed	Delegate Routine Approvals (such as low-risk design changes) to Project Teams Establish Clearer Project-Level Accountability for Delivery Outcomes Train Staff on Delegated Decision Protocols	   
Contract Management and Administration	Standardize Contract Templates and Terms and Conditions Establish Consistent Payment Processing Timelines	Streamline Contracting and Amendment Processes through Dedicated CAU Resources Develop Dispute Resolution Procedures that are Proactive and Tiered	 
Workforce Development and Capacity Building	Strengthen Blended Teams (Consultants + DOT) with Knowledge-Sharing Expectations Implement Urban Pay Differential Policies	Establish Project Management Training and Credentialing (PMI-PMP) Institutionalize a Career Pathway for Project Managers and Technical Staff	
Data, Systems, and Financial Tools	Replace the Legacy Accounting COBOL-based Forecasting Model with a Modern, Integrated Financial System Standardize Parametric Cost Estimating for Major Projects at Conceptual Phase Establish a Centralized Major Projects Dashboard for Transparency and Consistency	Implement and Standardize a Document Control System for Major Projects	 
Legislative Engagement and Transparency		Establish a Major Projects Committee with Quarterly Major Project Updates Develop and Standardize Quarterly Report KPIs Formalize the Submission of an Annual Report to the Joint Committee on Transportation	

BACKGROUND AND CONTEXT

ODOT is responsible for delivering critical transportation infrastructure that connects communities, supports commerce, and stimulates economic development across Oregon. Over the past decade, the scope and complexity of this responsibility have grown considerably—driven in part by expanded revenue through House Bill 2017, increased public demand for accountability, and new mandates for regional and multimodal coordination. As a result, the Department is tasked with delivering major projects, with larger budgets and tighter timelines, while also meeting the expectations of a broader and more diverse group of stakeholders.

The structural and operational environment within ODOT has not always kept pace with these changes. Major projects such as the Interstate Bridge Replacement (IBR) Program, Rose Quarter, and I-205 Improvements Project (Abernethy), have frequently encountered delivery challenges, including cost overruns, schedule slippage, scope uncertainty, and bureaucracy between regional execution and central oversight. Some of these issues have stemmed from funding allocations made prior to adequate scoping or readiness assessments were completed. Others are tied to internal organizational complexity—such as overlapping responsibilities between Headquarters (HQ) divisions and region offices, fragmented reporting structures, and uneven application of delivery standards across regions.

In addition, **leadership turnover** and the absence of standardized professional development pathways for **Project Managers/Directors** have further strained internal capacity. The agency's use of outdated **financial software**—originally built in the 1990s—has also contributed to significant forecasting discrepancies, undermining legislative confidence and limiting the ability to effectively plan and manage cash flow.

This report responds to these challenges. It draws upon internal findings and input gathered from ODOT leaders, operational staff, consultants and contractors, and external partners, with the goal of establishing clear, actionable strategies and recommendations for improving how projects are developed, funded, and delivered. The objective is to create a more agile, accountable, and transparent project delivery environment that is capable of meeting both legislative expectations and the needs of Oregon's communities.

METHODOLOGY

This review was designed to assess ODOT's current organizational structure and major projects delivery practices. The methodology was structured in a phased approach to undertake a thorough evaluation and develop actionable recommendations.

Legislative and Documentation Review

The initial phase involved an extensive review of relevant documentation to establish a foundational understanding of ODOT's project delivery environment. This included:

- **Legislative Hearings:** Review of the transportation legislative sessions provided insights into the legislature expectations, funding allocations, and oversight mechanisms influencing ODOT's project delivery.
- **2024 ODOT Strategic Review:** Examination of the strategic review conducted by WSP offered an assessment of ODOT's internal processes, organizational structure, and project management practices.
- **Additional Reports and Data:** Review of relevant reports and organizational structure documentation to identify project delivery challenges.

Stakeholder Interviews

Building upon the documentation review, the second phase comprised structured interviews with a diverse group of stakeholders to capture a wide range of perspectives on ODOT's organizational structure and major projects delivery practices. Stakeholders included:

- **Senior Leadership:** Provided strategic perspectives on organizational goals and challenges.
- **Program and Project Managers:** Shared detailed experiences and operational insights from managing major projects.
- **Technical Experts:** Offered specialized knowledge of technical aspects and potential solutions.
- **External Consultants and Contractors:** Contributed independent assessments and recommendations based on industry needs and experience working with ODOT.
- **Local Government Stakeholders:** Delivered valuable community context and regional priorities that impact project implementation and outcomes.

The interviews focused on identifying structural and operational bottlenecks and opportunities for improvement. Themes explored included decision-making processes, resource allocation, communication effectiveness, and the integration of alternative delivery methods.

Synthesis of Key Findings

The information gathered from the documentation review and stakeholder interviews was systematically analyzed to identify recurring themes and critical issues affecting project delivery. This thorough analysis ensured that the recommendations developed were grounded in both policy context and operational realities. The [Summary of Findings](#) section in this report provides an overview of the common themes and challenges identified.

Development of Recommendations

The final phase focused on formulating targeted recommendations aimed at addressing the identified challenges. This involved:

- Alignment of proposed solutions with legislative objectives and operational capabilities.
- Development of recommendations that are actionable, measurable, and adaptable to various project scales or types.
- Incorporation of subject matter experts' insights to refine strategies and advise on implementation.

The resulting [Key Recommendations](#) are designed to enhance ODOT's project delivery efficiency, accountability, and adaptability, thereby improving outcomes for stakeholders and the public.

SUMMARY OF FINDINGS

The findings summarized in this section reflect a comprehensive analysis of documentation, legislative proceedings, and direct input from stakeholders across the project delivery spectrum. The following findings represent the most recurring and high-impact issues identified through the review process and form the foundation for the recommendations presented in this report.



Organizational Structure Challenges

- ▶ ODOT's recent reorganization has created unclear lines of authority and communication barriers
- ▶ Decision-making is highly centralized at HQ, rather than delegated to the regions, leading to extended approval timelines and reduced agility
- ▶ Multiple review layers have created workflow bottlenecks and accountability challenges
- ▶ High turnover rates and staffing shortages impact project delivery and knowledge retention



Cost Estimation and Financial Management

- ▶ The agency lacks a “single source of truth” for project data and progress reporting
- ▶ Current tools are fragmented and not fully integrated, causing reporting delays, and duplicate data that does not match
- ▶ The transition to managing a Statewide Transportation Improvement Program (STIP) and a Capital Investment Plan (CIP) aims to better separate planning from budgeting
- ▶ Infrastructure projects that receive funding early – before 10-30% of the project is scoped – often face subsequent budgeting challenges



Contract Administration Issues

- ▶ Process from winning a contract to receiving Notice to Proceed can take up to 18 months
- ▶ Scope change order processes are cumbersome and dependent on DOJ review
- ▶ Legal review processes create procedural friction and extend turnaround times
- ▶ Lack of delegated authority prevents timely field-based decision-making



Risk Management Limitations

- ▶ Risk identification is not effectively integrated into cost estimating or contingency management
- ▶ Design exceptions and change orders face lengthy approval chains regardless of actual risk level
- ▶ The agency has limited internal experience managing delivery risks for large projects



Major Projects Decision-Making

- ▶ Major projects require greater delegation and authority at the project level
- ▶ The Urban Mobility Office (UMO) faces constraints due to divided responsibilities between HQ and regional offices
- ▶ There is a general opinion that the agency needs deeper expertise to execute billion-dollar programs
- ▶ Stakeholder engagement requires balancing local desires with budget constraints

KEY RECOMMENDATIONS

The recommendations presented in this section are designed to address the most pressing structural and operational challenges identified through this review. They respond directly to the themes that emerged from the synthesis of stakeholder input, legislative documentation, and prior agency assessments. Each recommendation is intended to be actionable, scalable, and aligned with ODOT's mission to deliver reliable, efficient, and accountable infrastructure programs.

ORGANIZATIONAL STRUCTURE AND GOVERNANCE

ODOT's current organizational model has evolved incrementally over time, resulting in overlapping responsibilities, inconsistent reporting lines, and a diffusion of accountability—particularly for large infrastructure projects. The recommendations in this section aim to streamline decision-making, improve alignment between delivery functions, and clarify roles to support more effective governance.



Short Term (0-24 Months) Recommendations:

- **Reform the UMO into a Major Projects Group:** UMO should be restructured into a Major Projects Group responsible for the oversight, governance, and technical coordination of ODOT's most complex and politically sensitive infrastructure projects. This group would ensure consistency, reduce risk, and streamline delivery across high-profile major projects. These include:

- Any project over \$99 million
- Any project with significant political visibility or community sensitivity

The role of the Major Projects group is to bring consistency in project clearances, scope discussions/Intergovernmental Agreements with cities and counties, and mitigate risk through best practices for due diligence and contract typology (Design-Bid-Build, Design-Build, Construction Manager At-Risk, etc.) The Major Projects Group should manage no more than five projects at a time to maintain focus and quality.

- **Redefine Reporting Structures for the Group:** The Major Projects Group should report directly to a designated executive – ideally the Assistant Director of Delivery & Operations – to align with broader capital program delivery.
- **Transfer the Alternate Delivery Team under the Major Projects Group:** Move the alternate delivery team (currently within Delivery & Operations) into the new Major Projects Group to co-locate expertise in Design-Build, CM/GC, and progressive contract models. This will allow for better integration of contract strategy and risk mitigation under one governance umbrella.

- **Expand the Role of the Chief Engineer to Include Project Delivery Influence:** Currently focused primarily on technical standards, the Chief Engineer should be assigned shared responsibility for elements of project delivery—particularly those affected by design policy, constructability, and engineering efficiency. This alignment will not only evaluate standards and procedures for their technical compliance but also for practical impact on schedule, cost, and constructability. The additional responsibilities may necessitate moving the Chief Engineer up in the organizational structure.



Long-Term (24+ Months) Recommendations:

- **Staff the Major Projects Group with Key Technical Expertise:** Recruit or reassign technical experts with experience in the following areas:
 - Primavera P6 (or equivalent) resource-loaded schedules with dependencies
 - NEPA documentation and early-stage clearances
 - Pre-construction risk mitigation including site investigation, right-of-way acquisition, and hazardous materials screening

This dedicated expertise will assist with major projects scoping and sequencing using industry-standard tools and practices, significantly reducing downstream risk.

- **Assign CAU Contracting Support to the Major Projects Group:** Assign one primary and one secondary representative from the Contract Administration Unit (CAU) to the Major Projects Group. This enables consistency in contract administration and expedites change management and procurement processes for major projects. Timely processing by the CAU is critical, both for creating contracts and amending or revising contracts. Appropriate timeframes should be established, tracked and reported.
- **Clarify Roles Between Regional Teams and Major Projects Group:** Establish a region-supported delivery model led by the Major Projects Group. The regional staff will contribute expertise including survey, Right of Way, Utilities, and Environmental services, etc. Once the contract is executed and construction begins, regional personnel continue to support delivery under the Major Projects Group's leadership.
- **Formalize a Project Transition Protocol between the Major Projects Group and Regional Teams:** Establish a consistent, documented process for transitioning project phases or specific activities between centralized groups (e.g., Major Projects Group) and regional delivery teams. This should include clear criteria for when support shifts to regional staff, responsibilities for ongoing technical support, and communication handoff protocols.
- **Designate Regional Liaisons to the Major Projects Group:** To ensure communication and transparency, assign specific staff within each region as designated liaisons to the Major Projects Group. These individuals would serve as points of contact for coordination, alignment of shared services, and knowledge exchange throughout a major project's lifecycle.
- **Create a Collaborative Policy Review Structure with Regions:** The Chief Engineer should actively collaborate with regional leadership to review and revise existing engineering policies and procedures. The aim is to work towards standards that are not only safe and sound but also feasible, implementable, and supportive of timely and efficient project delivery. This effort could include rescinding outdated guidance or streamlining duplicative requirements.

PROJECT PLANNING AND PRE-DEVELOPMENT

ODOT's project development phase—particularly pre-construction planning and scoping—has been consistently identified as a root cause of delivery issues. Projects are frequently funded or advanced before adequate scoping is complete, leading to unanticipated scope changes, budget overruns, and schedule delays downstream. Strengthening early project definition, risk mitigation, and inter-agency coordination is critical to improving long-term project outcomes.



Short Term (0-24 Months) Recommendations:

- **Codify Project Readiness Thresholds Prior to Funding Commitments:** Utilize the rolling 10-year CIP to document local, regional, and statewide project priorities without immediate fiscal constraints. Within the CIP, projects should be organized into clearly defined tiers. Highest-priority projects in the top tier should undergo a detailed risk-based scoping process to develop realistic costs and scope definitions. Only after this thorough assessment should projects be considered for funding and transition into the 3-year STIP. This approach aims to improve accuracy in project planning, cost estimation, and overall project readiness. Biannual CIP updates ensure priority projects remain current and well-positioned to compete for available state and federal funding streams.
- **Establish a Risk-Based Prioritization Framework for Scoping Investments:** Rather than treating all projects equally in early development, create and adopt a formal risk-based screening process that flags which projects require more robust early-stage investment (e.g., utility mapping, hazardous materials testing, cultural consultation). This allows ODOT to allocate early scoping resources where risk exposure is highest.
- **Shorten the Timeline Between Project Programming and Construction:** ODOT should utilize the 3-year STIP cycle, as proposed in its own 2024 internal review, to reduce the time between project programming and construction bidding. This tighter cycle will help ensure that estimates are more current, scope assumptions remain valid, and project risks are lower. When projects are moved from the CIP into the STIP, pre-NEPA activities already completed will shorten environmental review timelines, while design and construction cost estimates should be refreshed and adjusted using inflation projections tied to the anticipated year of bid.



Long-Term (24+ Months) Recommendations:

- **Integrate Cost Estimating and Scheduling into Early Planning Activities:** Pre-NEPA top-tier CIP projects should include a formal cost estimate in current-year dollars, developed using ODOT's latest estimating tools, historic bid data, and project-specific risk factors. Particular attention should be paid to high-risk circumstances such as railroad interactions, environmental constraints, hazardous materials, and historic or cultural resource impacts. Each estimate should include a contingency of no less than 30% at the conceptual phase. Additionally, the estimate should include inflated projections for 5- and 10-year outlooks based on a construction cost escalation rate agreed upon by ODOT, the Oregon Transportation Commission, and the contractors' association – typically exceeding the consumer price index. This multi-year estimate helps stakeholders understand long-range affordability and readiness.

- **Invest in Site Investigations and Early Scoping Activities:** Top-tier projects listed in the CIP should initiate early-stage investigations during the pre-NEPA phase to better inform design decisions and avoid costly delays. These investigations may include assessments of historic and cultural resources, utility conflicts, hazardous materials, endangered species, coastal zone implications, and property impacts. Early due diligence can assist the project team in confirming that all viable alternatives are studied. In select cases, the state may choose to fund high-risk investigations – such as utility locates or hazardous materials testing – even if federal reimbursement is uncertain. This targeted investment could mitigate contractor risk premiums and reduce the likelihood of change orders during construction.

DELEGATED AUTHORITY AND DECISION-MAKING

A recurring concern identified across internal assessments and stakeholder interviews is the overly centralized nature of decision-making at ODOT. Field staff, project managers, and contracted consultants are often unable to make timely decisions without frequent approvals from HQ, which slows project progress and increases risk exposure. Additionally, the escalation chain has grown overly complex, with multiple management layers and unclear accountability. These recommendations aim to streamline authority, clarify roles, and restore agility to project delivery.



Short Term (0-24 Months) Recommendations:

- **Clarify and Document Decision-Making Authority at All Levels:** Develop a clear authority matrix identifying who has decision rights across project types, disciplines, and phases (e.g., pre-NEPA scoping, design exceptions, utility agreements, change orders). This should reduce unnecessary escalation and empower staff closest to the work to act within their scope.
- **Shift to a Risk-based Approval Model for Project Decisions:** Current decision-making structures rely heavily on centralized review even for low-risk project adjustments. At ODOT and other DOTs, employees with significant experience and talent have left over the past years. It appears, in order to compensate for lack of experience, additional approvals, checks, and sign-offs have been added to the process. These approvals typically escalate back to ODOT HQ, and often to the Attorney General's Office as well. ODOT should move toward a risk-based approach that delegates low-risk decisions to the project team while reserving high-risk changes for central HQ review. For example, a change order that uses up contingency early on in the project cannot happen at the project level.
- **Institutionalize a Project-Specific RACI Model for Major Projects:** Develop and enforce a RACI (Responsible, Accountable, Consulted, Informed) chart for all major projects. This tool should be completed at the start of project delivery and updated throughout. It ensures role clarity, reduces ambiguity, and helps define where decision authority lies at every phase of the project lifecycle.

- **Establish Change Order Escalation Triggers:** Currently, construction change orders are considered a change to the contract and require review by the Attorney General's Office. There is a need to establish clear thresholds for escalation. For example, if the terms and conditions of the contract have not been modified, no review by the Attorney General's Office is required. As initial guidance only, changes to the scope of work that exceed 15% of the project contingency or that expend more than 60% of the project contingency before 50% the project has been completed (measured by work completed, not dollars expended) shall be reviewed by the Major Projects Group and the procurement individuals assigned to them. In addition, any change orders that extend the major project schedule shall be reviewed by the Major Projects Group. Change orders less than previously mentioned and with no modifications to the terms and conditions of the contract can be approved by the project team. Reasonable timeframes should be established for change order processing, tracked and reported.
- **Use Experienced Consultants to Supplement Internal Staff Where Needed:** When in-house expertise is limited, project staff should be supplemented by experienced consultants and subject matter experts to help absorb delegated responsibilities. Scope for consultants should include assisting and mentoring ODOT staff, so that less consultant support is needed in the future.



Long-Term (24+ Months) Recommendations:

- **Delegate Routine Approvals (such as low-risk design changes) to Project Teams:** Establish thresholds under which resident engineers and project managers whether internal or contracted can make operational decisions without higher-level sign-off. Currently, all levels of design changes that deviate from the standards need HQ approval. We recommend that any design change that does not violate the 13 controlling criteria by the Federal Highway Administration (FHWA) should be at the discretion of the project team.
- **Establish Clearer Project-Level Accountability for Delivery Outcomes:** Project Managers/Directors should have specific major project performance tied to their annual performance review. In addition, the Region Director, and the Major Projects Group should also have performance metrics in their annual review for their project(s) during all phases.
- **Train Staff on Delegated Decision Protocols:** Alongside changes to policy, all relevant staff should be trained on the new delegation thresholds and understand their authority. Training should include practical examples, thresholds for escalation, and what types of decisions require headquarters review. This will increase confidence and accountability in decision-making.

CONTRACT MANAGEMENT AND ADMINISTRATION

ODOT's project delivery model relies heavily on external contractors and consultants, yet the current contract administration environment has become cumbersome and inefficient. Stakeholders reported excessive documentation requirements, delayed payments, and overly centralized approval processes. This section offers recommendations that reduce friction, accelerate project execution, and restore balance between oversight and delivery agility.



Short Term (0-24 Months) Recommendations:

- **Standardize Contract Templates and Terms and Conditions:** Terms and Conditions for major projects for the three primary delivery contracts (Design-Bid-Build, Design-Build, and Construction Manager At-Risk) should be pre-developed and in template form for projects. The scope-of-work should be jointly developed by the Major Projects Group and the region project delivery staff.
- **Establish Consistent Payment Processing Timelines:** ODOT already has guidance for project managers to submit pay estimates on the 1st of the month. Major projects should follow the same rule. If there are large items that are partially complete, the DOT should pay for the approximate amount complete. Withholding or delaying payment creates significant challenges for the Contractor's cash flow, and if frequently incurred, will result in contractors increasing their bids to cover the delays and impacts to their cashflow.



Long-Term (24+ Months) Recommendations:

- **Streamline Contracting and Amendment Processes through Dedicated CAU Resources:** Assigning one primary and one secondary individual from the CAU has been included in the Organizational Structure discussion. Major projects typically have unique contracting provisions and certainly unique scopes in the contract. Having consistency will improve both the timeliness but also the quality and consistency of ODOT major projects. Also, it can provide an improvement feedback loop by engaging the same contracting person for changes and claims.
- **Develop Dispute Resolution Procedures that are Proactive and Tiered:** Stakeholders reported an absence of timely and effective resolution mechanisms for disputes. ODOT should develop a structured, tiered process for resolving disagreements at the project level, beginning with facilitated discussions, and escalating only when needed.

WORKFORCE DEVELOPMENT AND CAPACITY BUILDING

ODOT's ability to deliver projects efficiently depends on the strength, consistency, and capability of its workforce. However, the agency continues to face significant staffing challenges, including high turnover, limited project delivery experience, and growing regional imbalances. Workforce shortages in technical and field roles, as well as recruitment and retention challenges in high-cost urban areas, are contributing to project delays, cost increases, and heavy reliance on consultants. These recommendations aim to strengthen ODOT's internal capacity, improve equity in staffing resources, and establish a sustainable talent pipeline for long-term success.



Short Term (0-24 Months) Recommendations:

- **Strengthen Blended Teams (Consultants + DOT) with Knowledge-Sharing Expectations:** Consultants retained to support project delivery should be selected not only for their technical expertise but also for their ability to support strategic decision-making and mentor ODOT staff. Many consultants bring significant public sector experience, including former DOT leaders. Their insight is essential in helping project teams avoid costly errors, such as insufficient site investigations, which can lead to downstream construction claims and delays. In addition to delivering services, consultants should be tasked with actively mentoring assigned ODOT staff throughout the project. This dual role supports knowledge transfer and prepares internal personnel to independently lead future projects, reducing long-term reliance on external resources and improving overall organizational resilience.
- **Implement Urban Pay Differential Policies:** Projects in urban environments have increased complexity in Maintenance of Traffic (MOT), construction phasing, and number of diverse stakeholders. These projects are relatively more complex. In order to draw experienced engineers and managers, pay differentials for major urban projects should be considered. ODOT should review state laws and internal policies to determine the best policy requirements to implement.



Long-Term (24+ Months) Recommendations:

- **Establish Project Management Training and Credentialing (PMI-PMP):** Major project managers/directors need to have the skills and the training to deliver. This can come from experience on projects in lesser roles and it can come through training. Moving forward ODOT should implement project management training for project managers, these project managers, with training and experience could someday lead a major project.
- **Institutionalize a Career Pathway for Project Managers and Technical Staff:** A technical expert is often a different career than a project manager. Project Managers ideally have breadth of knowledge but do not necessarily need depth. Major projects should have technical tasks leads to leverage expertise. Identifying these separate skill sets and rewarding them equitably, is a challenge for DOTs and consulting firms but it is critical to the organization. ODOT should establish career paths for technical and project management expertise.

DATA, SYSTEMS, AND FINANCIAL TOOLS

Reliable data and forecasting systems are essential to the effective delivery of transportation infrastructure. ODOT's current platforms and models—many of which rely on outdated technology or siloed inputs—limit the agency's ability to manage projects proactively, make informed investment decisions, and communicate clearly with external stakeholders. Improvements in data integration, system modernization, and forecasting methodology are necessary to ensure accuracy, transparency, and efficiency in project planning and execution.



Short Term (0-24 Months) Recommendations:

- **Replace the Legacy Accounting COBOL-based Forecasting Model with a Modern, Integrated Financial System:** Good revenue projections and tools to track expenditures and “colors” of money are critical to top functioning DOTs. The current financial tools that ODOT are utilizing for projected revenues and budgeting are antiquated and are not transparent with their assumptions and calculations. ODOT should invest in a software tool that is “off the shelf” with minimal customizations. It is also recommended to utilize a software integration tool such as MuleSoft, or equivalent. These tools allow the finance department to utilize software specific to their needs, and project managers utilize software specific to their needs, then the software integration tool will allow data to be shared between the programs. This also makes software changes or updates to be made without affecting the entire Department.
- **Standardize Parametric Cost Estimating for Major Projects at Conceptual Phase:** Consider utilizing an outside cost estimating group for major projects at 60% and 90% design if the contract is not design-build. There are companies that specialize in this service and have relationships with suppliers to obtain accurate information. For conceptual phase cost estimating on a major project, parametric estimates from previous jobs, or pricing the top 10 items, then using percentages for costs like MOT should be performed. The methodology should be documented and standardized for all major projects so improvements may be tracked, and consistency is obtained.
- **Establish a Centralized Major Projects Dashboard for Transparency and Consistency:** The Major Projects Group should develop and maintain a centralized, publicly accessible webpage that serves as the “one source of truth” for all major capital projects. This platform should present regularly updated, easy-to-understand summaries of each project's budget, schedule, current phase, and projected completion cost and timeline. Visual tools such as graphs and progress indicators should be used for clarity. To eliminate confusion and promote consistency, all divisions should align reporting to this platform. In addition to core project metrics, the site should host information about upcoming closures or detours, and serve as a repository for key materials such as committee agendas, minutes, and performance indicators tied to the Major Projects Committee (see the [Legislative Engagement and Transparency](#) section for this recommendation). This centralized resource will promote transparency, reduce internal discrepancies, and build external trust in project reporting.



Long-Term (24+ Months) Recommendations:

- **Implement and Standardize a Document Control System for Major Projects:** Effective document control systems are essential for tracking submittals, ensuring contractual compliance, managing RFIs, and reducing delays caused by untimely or inconsistent communication. For existing projects, if the contractor is using a document management platform (e.g., Aconex, Procor) but ODOT does not have direct access, contract provisions should be amended to grant appropriate access to agency staff. Looking ahead, ODOT should collaborate with key industry stakeholders to select a preferred platform for use on all major projects. Once selected, the platform should be standardized across projects and maintained centrally by the Major Projects Group, including hosting, technical support, and staff training.

LEGISLATIVE ENGAGEMENT AND TRANSPARENCY

ODOT's effectiveness in delivering major transportation investments is closely tied to its ability to engage transparently and constructively with the legislature. In recent years, gaps in communication, fluctuating expectations, and inconsistent project updates have strained the relationship between ODOT and legislative stakeholders. These recommendations aim to improve legislative trust, clarify project development timelines, and create structured opportunities for dialogue and transparent updates.



Long-Term (24+ Months) Recommendations:

- **Establish a Major Projects Committee with Quarterly Major Project Updates:** A quarterly major projects update should be delivered to a Major Projects Committee. The committee should consist of two members of the Joint Committee on Transportation, one member of the Oregon Contractor's Association, one member of the American Council of Engineering Consultants, one member of the Transportation Commission, one member of the Association of Oregon Counties, the ODOT executive director, and the manager of the Major Projects Group. These stakeholders are critical for the delivery of major projects and should work together for the best project outcomes.
- **Develop and Standardize Quarterly Report KPIs:** The quarterly reports should include Key Performance Indicators (KPIs) for major projects in design and construction. The KPIs should include key baselines and parameters such as original STIP schedule and budget, current scope and schedule, contractual budget and schedule, any scope revisions with their associated impact, and other KPIs as determined by the committee.
- **Formalize the Submission of an Annual Report to the Joint Committee on Transportation:** An annual report should be presented to the Joint Committee on Transportation, ideally near the beginning of the legislative session. The annual reporting should include the KPIs from quarterly meetings as well as the top-tier fiscally unconstrained projects with their pre-NEPA progress and conceptual level cost estimates at completion of pre-NEPA. It should also note any improvements to delivery or process that will be implemented or any legislative requests.

























IMPLEMENTATION ROADMAP

Implementing the recommendations in this report will require deliberate sequencing, coordination across divisions, and a strong commitment











to change management. ODOT should adopt a phased approach as shown in the tables below, that prioritizes near-term actions with clear

ownership and measurable outcomes, while laying the groundwork for structural reforms that require additional time or legislative support.

ORGANIZATIONAL STRUCTURE AND GOVERNANCE

RECOMMENDATION	TIME FRAME	PREREQUISITES	CHALLENGES ADDRESSED
Reform the UMO into a Major Projects Group	 Short-term	Leadership Support, HR and Budget Support, Clarified Roles and Responsibilities	  Organizational Structure Challenges, Major Projects Decision-Making
Redefine Reporting Structures for the Group	 Short-term	Updated Organizational Structure, Updated Communication Protocols	  Organizational Structure Challenges, Major Projects Decision-Making
Transfer the Alternate Delivery Team under the Major Projects Group	 Short-term	Major Projects Group Formation, Updated Processes and Reporting Structures	  Organizational Structure Challenges, Risk Management Limitations
Expand the Role of the Chief Engineer to Include Project Delivery Influence	 Short-term	Leadership and Legislative Support, HR Support	 Organizational Structure Challenges
Staff the Major Projects Group with Key Technical Expertise	 Long-term	Major Projects Group Formation, Clarified Roles and Responsibilities, Updated Processes and Reporting Structures	  Organizational Structure Challenges, Risk Management Limitations
Assign CAU Contracting Support to the Major Projects Group	 Long-term	Major Projects Group Formation, Availability of Staff, Expertise, and Resources	  Risk Management Limitations, Contract Administration Issues
Clarify Roles Between Regional Teams and Major Projects Group	 Long-term	Major Projects Group Formation, Clarified Roles and Responsibilities, Updated Processes and Reporting Structures	 Organizational Structure Challenges
Formalize a Project Transition Protocol between the Major Projects Group and Regional Teams	 Long-term	Major Projects Group Formation, Clarified Roles and Responsibilities	  Organizational Structure Challenges, Risk Management Limitations
Designate Regional Liaisons to the Major Projects Group	 Long-term	Major Projects Group Formation, Clarified Roles and Responsibilities, Updated Processes and Reporting Structures	 Risk Management Limitations
Create a Collaborative Policy Review Structure with Regions	 Long-term	Expanded Chief Engineer Role, Updated Processes and Reporting Structures	  Contract Administration Issues, Major Projects Decision-Making






PROJECT PLANNING AND PRE-DEVELOPMENT

RECOMMENDATION	TIMEFRAME	PREREQUISITES	CHALLENGES ADDRESSED
Codify Project Readiness Thresholds Prior to Funding Commitments	 Short-term	Development of CIP, Updated Budgeting and Forecasting Processes	 Cost Estimation and Financial Management
Establish a Risk-Based Prioritization Framework for Scoping Investments	 Short-term	Availability of Staff, Expertise, and Resources	 Cost Estimation and Financial Management
Shorten the Timeline Between Project Programming and Construction	 Short-term	Established 3-year STIP Cycle	 Contract Administration Issue
Integrate Cost Estimating and Scheduling into Early Planning Activities	 Long-term	Availability of Staff, Expertise, and Resources	 Risk Management Limitations
Invest in Site Investigations and Early Scoping Activities	 Long-term	Availability of Staff, Expertise, and Resources	 Risk Management Limitations

DELEGATED AUTHORITY AND DECISION-MAKING

RECOMMENDATION	TIMEFRAME	PREREQUISITES	CHALLENGES ADDRESSED
Clarify and Document Decision-Making Authority at All Levels	 Short-term	Major Projects Group Formation, Updated Region-based Roles and Responsibilities	 Major Projects Decision Making
Shift to a Risk-based Approval Model for Project Decisions	 Short-term	Leadership and HQ Support, Updated Roles and Responsibilities	   Major Projects Decision Making, Organizational Structure Challenges, Risk Management Limitations
Institutionalize a Project-Specific RACI Model for Major Projects	 Short-term	Major Projects Group Formation	  Major Projects Decision Making, Organizational Structure Challenges
Establish Change Order Escalation Triggers	 Short-term	Leadership and HQ Support, Major Groups Formation, Updated Roles and Responsibilities	 Major Projects Decision Making
Use Experienced Consultants to Supplement Internal Staff Where Needed	 Short-term	Established Delegated Decision Protocols	 Major Projects Decision Making
Delegate Routine Approvals (such as low-risk design changes) to Project Teams	 Long-term	Established Delegated Decision Protocols, Availability of Staff, Expertise, and Resources	 Major Projects Decision Making
Establish Clearer Project-Level Accountability for Delivery Outcomes	 Long-term	Major Projects Group Formation, Updated Region-based Roles and Responsibilities	  Major Projects Decision Making, Risk Management Limitations
Train Staff on Delegated Decision Protocols	 Long-term	Major Groups Formation, Clarified Roles and Responsibilities, Updated Processes and Reporting Structures	  Major Projects Decision Making, Cost Estimation and Financial Management













CONTRACT MANAGEMENT AND ADMINISTRATION

RECOMMENDATION	TIMEFRAME	PREREQUISITES	CHALLENGES ADDRESSED
Standardize Contract Templates and Terms and Conditions	 Short-term	Major Projects Group Formation	 Contract Administration Issues
Establish Consistent Payment Processing Timelines	 Short-term	Availability of Staff, Expertise, and Resources	 Contract Administration Issues
Streamline Contracting and Amendment Processes through Dedicated CAU Resources	 Long-term	Major Groups Formation, Availability of Staff, Expertise, and Resources	  Contract Administration Issues, Risk Management Limitations
Develop Dispute Resolution Procedures that are Proactive and Tiered	 Long-term	Availability of Staff, Expertise, and Resources	  Contract Administration Issues, Risk Management Limitations







WORKFORCE DEVELOPMENT AND CAPACITY BUILDING

RECOMMENDATION	TIMEFRAME	PREREQUISITES	CHALLENGES ADDRESSED
Strengthen Blended Teams (Consultants + DOT) with Knowledge-Sharing Expectations	 Short-term	Availability of Staff, Expertise, and Resources	 Organizational Structure Challenges
Implement Urban Pay Differential Policies	 Short-term	Leadership and Legislative Support	 Organizational Structure Challenges
Establish Project Management Training and Credentialing (PMI-PMP)	 Long-term	Leadership Support, HR and Budget Support	 Organizational Structure Challenges
Institutionalize a Career Pathway for Project Managers and Technical Staff	 Long-term	Leadership Support, HR and Budget Support	 Organizational Structure Challenges

DATA, SYSTEMS, AND FINANCIAL TOOLS

RECOMMENDATION	TIMEFRAME	PREREQUISITES	CHALLENGES ADDRESSED
Replace the Legacy Accounting COBOL-based Forecasting Model with a Modern, Integrated Financial System	 Short-term	Availability of Staff, Expertise, and Resources	  Cost Estimation and Financial Management, Risk Management Limitations
Standardize Parametric Cost Estimating for Major Projects at Conceptual Phase	 Short-term	Major Projects Group Formation, Availability of Staff, Expertise, Resources, and historical data	  Cost Estimation and Financial Management, Risk Management Limitations
Establish a Centralized Major Projects Dashboard for Transparency and Consistency	 Short-term	Major Projects Group Formation, Major Projects Committee Establishment	  Cost Estimation and Financial Management, Risk Management Limitations
Implement and Standardize a Document Control System for Major Projects	 Long-term	Major Projects Group Formation	  Cost Estimation and Financial Management, Risk Management Limitations

LEGISLATIVE ENGAGEMENT AND TRANSPARENCY

RECOMMENDATION	TIMEFRAME	PREREQUISITES	CHALLENGES ADDRESSED
Establish a Major Projects Committee with Quarterly Major Project Updates	 Long-term	Major Projects Group Formation, Major Projects Committee Establishment, Major Projects KPIs Formalized	 Cost Estimation and Financial Management
Develop and Standardize Quarterly Report KPIs	 Long-term	Major Projects Group Formation, Major Projects Committee Establishment, Major Projects KPIs Formalized	 Cost Estimation and Financial Management
Formalize the Submission of an Annual Report to the Joint Committee on Transportation	 Long-term	Major Projects Group Formation, Major Projects Committee Establishment, Major Projects KPIs Formalized	 Cost Estimation and Financial Management

CONCLUSION

This review has identified potential opportunities for ODOT to strengthen project delivery by aligning internal systems, restoring clarity in roles and responsibilities, enhancing transparency with legislative partners, and rebuilding internal capacity for long-term resilience.

These recommendations are informed by interviews, stakeholder consultations, legislative context, and operational reviews. They are not isolated actions, but interdependent amends intended to elevate ODOT's major projects delivery function. Successful implementation will demand leadership commitment, staff engagement, and a willingness to reimagine built systems and structures.