



Oregon

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File Code:

TO: Metropolitan Policy Committee

FROM: Ann Sanders
Region 2, Area 5 Interim Manager

SUBJECT: Update to the 2008 – 2011 STIP

Recommended Action: None, Information Only

Report:

I wanted to update everyone on some recent events that have occurred that will affect the approval of the '08-'11 STIP. First, the wrap-up of the recent legislative session brought about SB994. This bill requires ODOT to pay out \$56.2 million (without a corresponding increase in revenues). Second, the federal highway trust fund is projected to experience a shortfall of \$3.8 billion to \$4.3 billion in 2009 if new revenues are not found or if spending is not cut significantly. Potentially, all states could have their anticipated federal revenue reduced.

Primarily as a result of these two issues, the OTC has decided to delay the approval of the '08-'11 STIP to see if any changes should be made to the STIP before final approval is given. The latest we have been told is that the approval would possibly be done at the November meeting. This would then put federal approval in January, 2008.

I know this action is occurring right before we had planned to proceed with approval of the STIP. I also appreciate everyone's efforts in meeting the timeline we established. Unfortunately, when financial conditions change that may impact the STIP, the prudent choice is to review all options available before continuing.