

## **Progress Report for HB 2800 – Interstate 5 Bridge Replacement Project**

First quarter 2014 (1/1/14 to 3/31/14)

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The following information is submitted by the Oregon Department of Transportation following Section 21 of HB 2800, concerning the Interstate Bridge Replacement Project:

SECTION 21. Each calendar quarter, the Department of Transportation shall prepare and submit a report on the progress of the Interstate 5 bridge replacement project described in Section 2 of this 2013 Act to the Legislative Assembly as provided in ORS 192.245 or, if the report is submitted during the interim between sessions of the Legislative Assembly, to the appropriate interim committees related to transportation.

Information in this progress report addresses project activity during the period January 1 through March 31, 2014:

- Project closeout
- Financial planning and investment grade traffic and revenue analysis
- Permitting
- Procurement planning
- Federal Transit Administration (FTA) New Starts application

### **Project closeout**

On March 7, the Oregon Legislature adjourned without reinstating construction funds for the CRC I-5 Bridge Replacement project. As identified in Governor Kitzhaber's January 27, 2014 letter to legislative leadership, the project was to begin the process of orderly archival and closeout if it did not receive state funding. The project will shut down completely by May 31, 2014.

The project will be closed in a systematic, retrievable manner in order to adequately preserve a decade of research, environmental reviews, community involvement, and detailed engineering work for potential future use. Work products will be archived according to Oregon record retention requirements. Expenditures were reduced immediately; further design and deliverable development has not occurred.

Intergovernmental agreements with the U.S. Army Corps of Engineers, Oregon Department of Environmental Quality, Washington State Department of Transportation, TriMet, Metro and Multnomah County Drainage District will be terminated effective May 1, 2014. These agreements were in place to cover the costs of staff time associated with supporting project development or permitting activities.

### **Financial Planning and Investment Grade Traffic and Revenue Analysis**

Work in this period focused on review of the project's finance plan and investment grade traffic and revenue analysis. CDM Smith, Parsons Brinckerhoff and Public Resource Advisory Group (the investment grade consultant team) completed the Investment Grade Analysis in December 2013. Their findings were provided to legislative leadership, the governor and the office of the Oregon State Treasurer.

The Investment Grade Analysis concluded that sufficient revenue (\$1.35 - \$1.57 billion) in net project funding could be available to fund the toll-related project elements, under current market conditions, depending on the type of bonds and availability of a federal TIFIA loan. The analysis assumed construction starting in fall 2015. The analysis further concluded that additional revenue capacity could

be available to the project if actual conditions are not as conservative as the assumptions and/or if policy decisions are made that adjust the assumptions.

### **Permitting**

In previous quarters, significant work was conducted toward securing project permits including the U.S. Coast Guard General Bridge permit, U.S. Army Corps of Engineers Navigation 408 permit application, Endangered Species Act consultation with National Marine Fisheries Service and state water quality certifications.

In this quarter, prior to the commencement of the shut down, efforts focused on executing an Intergovernmental Agreement with U.S. Army Corps of Engineers and engaging consultant assistance to conduct ship simulations as part of the multi-step Section 408 permit (navigation). Additionally, the team continued coordination related to the 401 Certification (water quality)—including working with the Oregon Department of State Lands regarding removal-fill and Washington Department of Fish and Wildlife regarding hydraulic project approval—and continued analysis needed for local land use permitting processes.

### **Procurement Planning**

Prior to initiating the shut down process, CRC project staff continued the development of draft documentation necessary to solicit several future construction procurement packages, including the design-build River Crossing, Washington Transit, Mainland Connector and Transit Systems contracts. During this period, project staff focused primarily on the River Crossing package, the largest of the construction contracts, including development of technical specifications. A request for qualifications for the River Crossing package remained available for release, in the event state construction funding was committed, along with a draft request for proposals which was planned to be released for industry review. It was anticipated that the final request for proposals would be released approximately two months after release of a request for qualifications.

### **FTA New Starts Application**

The project continued work on deliverables related to pursuit of the FTA New Starts Full Funding Grant Agreement (FFGA) until the project close down was announced. A primary focus of these efforts included updates to the Project Management Plan and associated sub plans. Additional work during this period was performed in support of procurement planning for River Crossing, Washington Transit, Mainland Connector and Transit Systems contracts, as they relate to future New Starts application submittals.