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76<sup>th</sup> LEGISLATIVE ASSEMBLY  
JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON THE COLUMBIA RIVER CROSSING

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December 11, 2012

**TO: Governor John Kitzhaber  
Senate President Peter Courtney  
House Co-Speaker Bruce Hanna  
House Co-Speaker Arnie Roblan**

**FROM: Sen. Lee Beyer, Co-Chair  
Rep. Cliff Bentz, Co-Chair  
Rep. Tobias Read, Co-Chair  
Joint Legislative Oversight Committee on the Columbia River Crossing**

**SUBJECT: Review of Columbia River Crossing Project**

House Bill 5046 (2011) included a budget note directing the Oregon Department of Transportation (ODOT) to provide reports to the Senate and House committees on transportation regarding progress made on the Columbia River Crossing Project (CRC). Pursuant to that budget note, the Senate President and House Co-Speakers appointed the Joint Legislative Oversight Committee on the Columbia River Crossing (JOCRC) to conduct this review and to report findings back to the Legislative Assembly and the Governor prior to the beginning of the 2013 Legislative Session.

The committee met seven times between September 2011 and December 2012; two of these meetings took place in Portland. The committee focused its oversight of the project on several areas, including: project purpose and need; the history of the project's development; features of the proposed bridge and interchanges; the economic impact of building or not building the CRC; alternatives to the CRC, including new bridges and/or traffic corridors; alternatives to light rail transit; current and anticipated growth patterns in the Portland/Vancouver region; project construction and phasing; cost estimation and financing plan for the project; federal funding sources; tolling revenue and collection; potential sources of state funding; and governance of the facility both during and after construction. The committee also held a hearing dedicated entirely to taking testimony from individuals and groups that oppose or have concerns with the CRC.

The two existing bridges that currently connect Oregon and Washington via Interstate 5 were constructed in 1917 and 1958, respectively. The lift span that currently allows navigation under the bridge on the Columbia River represents the only "stoplight" on Interstate 5 between Canada and Mexico. The Columbia River Crossing project would replace the two existing spans with two double-deck bridges that include 10 lanes of road traffic, dedicated bicycle and pedestrian pathways, and light rail connection into the City of Vancouver. The project is intended to address several issues, including:

- Growing travel demand and congestion
- Impaired freight mobility
- Limited public transportation operation, connectivity and reliability
- Safety and vulnerability to accidents
- Substandard bicycle and pedestrian facilities
- Seismic vulnerability
- Access to Oregon's largest port

The Committee has reviewed the history of the project, which dates back to an I-5 Trade Corridor Freight Feasibility and Needs Assessment that ODOT and the Washington State Department of Transportation conducted in 1999. In response to that study, a 39-member Columbia River Crossing Task Force was appointed to consider alternative approaches to addressing the problems listed above. The Committee received testimony from proponents of alternatives to the CRC and reviewed the proposals for those alternatives.

The CRC, as currently outlined, carries an anticipated cost of \$3.1 billion to \$3.5 billion, broken down roughly as follows:

- \$1.2 billion for replacing the river bridges and approaches,
- \$850 million for light rail transit extension
- \$435 million for roadway and interchanges in Washington
- \$595 million for roadway and interchanges in Oregon

Financing the project has been identified by ODOT as coming from: the federal government (\$800 million from the Federal Transit Administration's New Starts Program, \$400 million from the Federal Highway Administration), revenues from tolling the new bridge (\$900 million - \$1.3 billion), and state contributions from Oregon and Washington (\$450 million each). The CRC Project Team has begun the process for an investment grade analysis that is necessary for issuing bonds for the project, and which will help inform the state commissions on transportation on the necessary level of tolls. This investment grade analysis is scheduled to be completed near the end of 2013. ODOT has indicated that there are a number of funding options for the State of Oregon to meet its \$450 million contribution, which include possible gasoline taxes, vehicle registration fees and title fees, and possible use of federal formula funds received annually by Oregon. The revenue sources would be used to finance 25-year bonds, which require roughly \$35.4 million in annual revenue. Tolling revenue would not be usable for Oregon's \$450 million share of the project cost. The CRC Project Team indicates that it will be necessary for both states to take action in the first quarter of 2013 on securing their funding streams in order to meet timelines for application for federal funding.

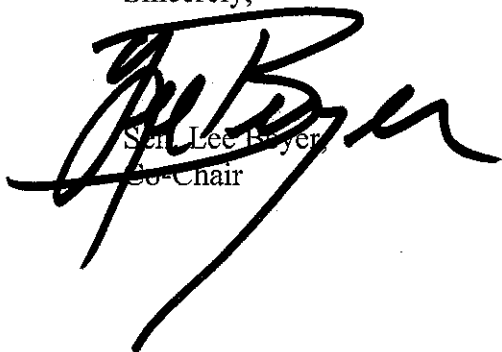
Aside from finalizing the Oregon and Washington contributions to the project, here are a handful of issues that must be resolved before construction can begin:

- *Investment grade analysis* – See discussion above;
- *Tolling authority* – The Oregon Transportation Commission and Washington Transportation Commission are currently developing a structure for how rates will be set for tolls, how the tolling bonds will be distributed between the states and other issues;
- *Bridge height and bridge permit* – concerns have been raised by upriver users about the potential impact of the proposed 95-foot bridge clearance on the ability to move certain loads under the new bridge. Discussions are ongoing with the United States Coast Guard, which is authorized to issue the required bridge permit, regarding mitigation efforts for affected businesses and/or a possible increase in bridge height;
- *Governance* – (Washington & Oregon);
- *The United States Department of Transportation* – must have approved funding from the New Starts fund;
- *The States of Washington* – has authorized its share of the required funding; and
- *Responsibility* – for any cost over-run has been appropriately addressed.

Oregon's financial contribution to the Columbia River Crossing will be contingent upon resolution of the issues listed above.

With the start of the 2013 Legislative Session imminent, it is expected that legislation will be brought forward to provide for Oregon's \$450 million contribution to the CRC, as well as to authorize the Oregon Transportation Commission to enter into agreements with the State of Washington or its toll authority to establish, adjust and collect tolls for the CRC. If this legislation is to receive our consideration, it will need to be taken up relatively early in session to meet timelines for applying for federal funding for the project. To that end, the co-chairs of the Joint Legislative Committee on the Columbia River Crossing recommend that the Senate President and Speaker of the House consider appointing a joint committee on the Columbia River Crossing in order to expedite consideration of legislation related to the project.

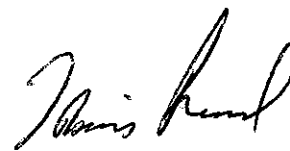
Sincerely,



Sen. Lee Boyer,  
Co-Chair



Rep. Cliff Bentz,  
Co-Chair



Rep. Tobias Read,  
Co-Chair