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To: Joint Committee on I-5 Bridge Replacement Project

Date: February 11, 2013

I am Doug Allen, speaking today on behalf of the Smarter Bridge Committee and proposing amendments to HB 2800, Section 3.

We are deeply concerned that if the CRC staff gets its hands on \$450 million it will take the next logical step for this project and acquire the property and easements needed for construction, and thereby eliminate 916 permanent jobs in 69 businesses with annual sales of more than \$100 million, according to the Final Environmental Impact Statement. This would be a disaster if you then found that you could not go forward to finance the project.

We want to see that the triggers, that you put in HB 2800, Section 3, have specific dates and amounts, and commit the project to meeting those triggers before proceeding to sell bonds or acquire property and easements.

We have heard the hype over the last seven years of this project. It had national significance, and could obtain federal money and provide thousands of construction jobs.

Now, we see that there was no federal highway money given in the 2012 Transportation Reauthorization Act, and we doubt that, following the vote against light rail operating funds in Clark County, you can get federal transit money. The FTA isn't going to award money to a project that has no operating funds. We doubt that Washington is going to come up with its share of money when 10 of the 11 legislators from Clark County oppose this project with light rail and tolls. And on top of that, traffic volumes across the bridge have been flat since 2004, and the likely diversion of thousands of drivers to the un-tolled Glenn Jackson Bridge puts the \$1.3 billion from toll revenue bonds in serious doubt.

It would be dishonest to take the \$450 million from a shrinking ODOT budget that today can't even afford basic highway maintenance. How can you fund the CRC when you cut basic maintenance funds from the 780 miles you were paving in 2011 to 330 miles of re-paving in 2012 and going forward? How can you add to the 29% of the ODOT budget that already goes to debt service in Oregon, more than \$200 million a year? Do you not realize people are driving less and new cars are getting better gas mileage, and ODOT revenues are shrinking rapidly as a result?

Please toughen up the triggers, and halt your destruction of Oregon's future transportation projects throughout the state.

Sincerely,

Doug Allen



Proposed Amendments to HB 2800, Section 3

For the purpose of financing the Interstate 5 bridge replacement project, the State Treasurer may not have outstanding, at any one time, bonds in an amount exceeding \$450 million of net proceeds, plus an amount determined by the State Treasurer to pay estimated bond-related costs of issuance. This subsection does not apply to borrowings from the United States government or borrowings ~~intended to be repaid or secured by toll revenues generated by the Interstate 5 bridge replacement project.~~ **{which will be secured and repaid solely by toll revenues generated by the project.}**

(4) The Department of Transportation may not request and the State Treasurer may not **{acquire any property or easements for the project or}** issue any bond to finance the Interstate 5 bridge replacement project unless:

(a) The State of Washington has appropriated, authorized or otherwise committed **{\$450 million to this project}** ~~sufficient funds to satisfy the United States Department of Transportation requirement for a proposed full funding grant agreement application~~ no later than September 30, 2013;

(b) ~~The United States Department of Transportation has submitted a full funding grant agreement application, in amount of at least \$800 million, for congressional review;~~ **{The U.S. Federal Transit Administration signs a Full Funding Grant Agreement under the New Starts program obligating the federal government to pay \$800 million towards the cost of light rail transit for what was called the Columbia River Crossing and is now called the Interstate-5 Bridge Replacement Project;}**

(c) The State Treasurer has **{received,}** reviewed and approved an ~~ongoing~~**{a completed}** investment grade analysis **(of the toll revenue bonds)** and **(has received)** a comprehensive financing plan for the project that ~~demonstrate~~ **(assures)** sufficient cash flows and sources of funds to pay the estimated costs of the **(entire)** project so that additional revenues from borrowings in addition to those described in subsection (3) of this section are not necessary;

(d) The United States Coast Guard has issued a general bridge permit for the main channel of the Columbia River for the project;

(e) **{An intergovernmental agreement has been reached between Oregon and Washington that includes a formula for how to finance cost over-runs;}**

(f) **(An agreement has been created that assures the project may not pledge the full faith and credit of the State of Oregon behind any bonds issued for this project, and that the State of Oregon may not use any formula funding for this project that is received from federal multi-purpose gas tax funds;)**

(g) **(New revenues are created so that the bond money for this project is not repaid by existing motor vehicle taxes and fees which are available to be used for any other Oregon transportation project.)+**