

Columbia River Crossing

A long-term, comprehensive solution

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Secretary of Transportation

Topics to be covered

- **Bi-state toll setting agreement update**
- **Cost and finance assumptions**
- **Finance plan**
 - **Overview**
 - **Tolling**
 - **Federal TIFIA loan**
- **General bridge permit update**

Bi-state toll setting agreement update



2012 Washington tolling legislation, ESSB 6445

- Designated the Columbia River Crossing project as an “Eligible Toll Facility”
- Creates the Columbia River Crossing account
- Authorizes the Washington State Transportation Commission to enter into agreements with the Oregon State Transportation Commission regarding the joint setting, adjustment and review of toll rates.
- Any agreement between the two Commissions is not enforceable until 30 days after the next regular legislative session.
- If the Washington Commission has not entered into an agreement by December 31, 2015, this authority expires.

Bi-State tolling structure options

- **Separate state bonds and joint toll-setting with**
 - The full commissions, or
 - Commission subcommittees, or
 - Full commissions and subcommittees.
- **Washington issues all toll-back bonds and sets tolls**

Washington-Oregon Tolling Discussion

The preferred approach identified at the meeting:

- Joint toll setting structure, where each commission maintains their existing rate setting authority.
- Develop a subcommittee of the two Commissions to advise each Commission on rate setting.
- Separate debt in each state for their share of the toll backed portion of the project.
- Much discussion, but no agreement among Commissioners, on whether to include a tie-breaker process.
- If there must be a tie-breaker, strong preference from Washington Commissioners to avoid the third-party consultant option that was suggested.

Washington-Oregon Tolling Discussion



Next steps:

- Prepare a joint letter of commitment for forward movement to be signed by both chairs
- Work with a subcommittee to address and work on the Intergovernmental Agreement between the two Commissions.

The two commission chairs are scheduled to talk to this Oversight Committee on December 10.



Washington-Oregon Tolling Discussion

Joint Subcommittee members are:

- * Oregon: Chairman Pat Egan and Mary Olson
- * Washington: Dick Ford, Philip Parker, Anne Haley

Cost and finance assumptions



Construction cost estimates and fund sources



Oregon Roadway and Interchanges	Cost	Funding Source	Columbia River Bridge and Approaches	Cost	Funding Source	Light Rail Transit Extension	Cost	Funding Source	Washington Roadway and Interchanges	Cost	Funding Source
Oregon Roadway and Interchanges Total	\$595 million	State and/or federal funds	Columbia River Bridge and Approaches Total	\$1.2 billion	Tolls and State or Federal funds	Light Rail Transit Extension Total	\$850 million	FTA New Starts	Washington Roadway and Interchanges Total	\$435 million	State and/or Federal Funds

Total costs based on 2011 CEVP and assume a 95-foot bridge height = \$3.1 billion

Targeted Columbia River Crossing Funding Sources	Amount (billions)
FTA New Starts (light rail).....	\$0.85
FHWA.....	\$0.4
Tolls.....	\$0.9 - \$1.3
OR/WA.....	\$0.9
TOTAL FUNDING SOURCES	\$3.05 - \$3.45

ESSB 6445 (Sec 7)

- **Tolls may not be collected until:**

- (1) Certification by Secretary of Transportation to Governor that WSDOT has received satisfactory evidence that sufficient funding, including federal funds, will be available to complete the phase of the CRC that includes construction of the Columbia River bridge and landings; and
- (2) The agreements described in Section 4 have taken effect
 - Tolling authority may enter into agreements with Oregon State Transportation Commission regarding the mutual or joint setting, adjustment, and review of toll rates
 - Any agreement between the tolling authority and OTC takes effect 30 days after adjournment of the next ensuing regular legislative session.
 - If the tolling authority hasn't entered into an agreement with OTC by Dec. 31, 2015, this section expires

- **If certification isn't submitted by Dec. 31, 2015, the statutory designation of the Columbia River Crossing as an eligible toll facility is void.**

Proposed construction sequence

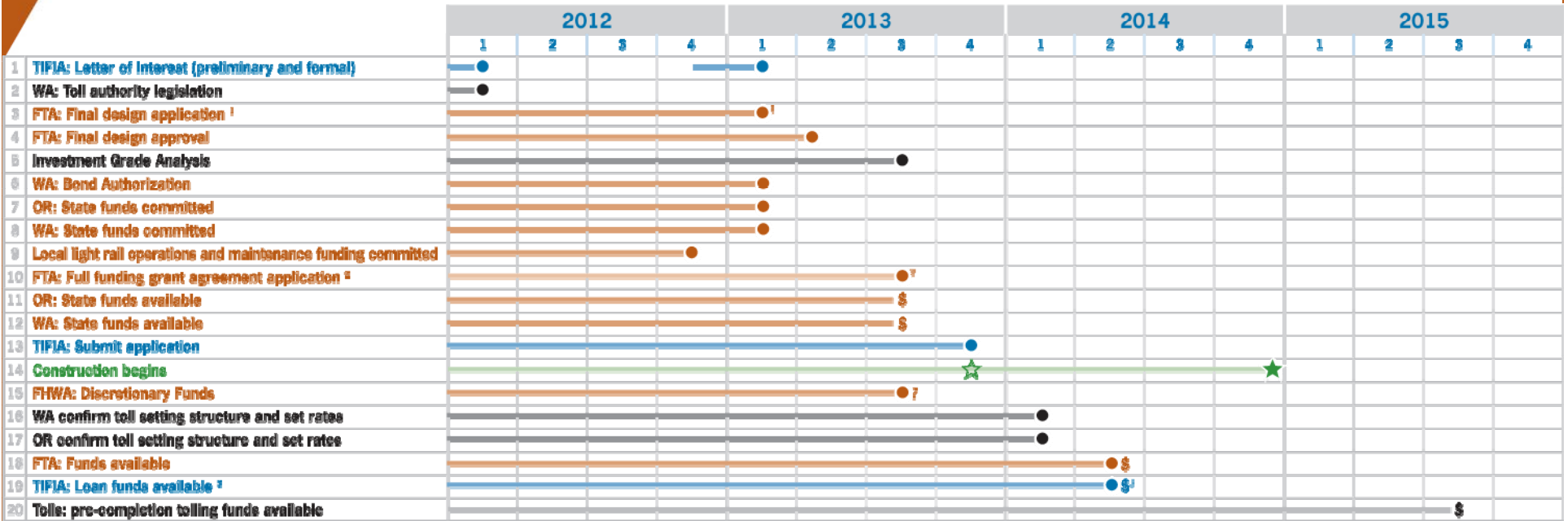


- Marine Drive/Hayden Island
(4 years, starting 2018)
- Mainland connector
to Hayden Island
(2 years, starting 2015)
- OR Transit
(3-4 years, starting 2016)

- River Crossing
and approaches
(6 years, starting 2014)
- Bridge demolition
(1.5 years, starting 2021)

- WA North (Mill Plain Blvd., Fourth Plain Blvd.,
29th St., 33rd St., SR 500)
(5 years, starting 2016)
- Park and rides
(and misc. transit)
(2 years, starting 2015)
- WA Transit
(4-5 years, starting 2015)

Funding schedule (subject to change)



Estimated funding sources

Federal Transit	\$850 M
Federal Highway	\$400 M
Tolls*	\$900 M - \$ 1.3 B
OR/WA state funds (\$450/each)	\$900 M

*TIFA is a federal loan and credit program. Tolls are the revenue source for the loan. The federal backed loan program reduces coverage ratio for tolls.

¹ Must have 50% non-FTA funds committed or budgeted. Tolling authority in 2012 expected to meet this requirement. MAP-21 may effect FTA New Starts requirements.

² Must have all funds authorized.

³ TIFA is typically the last funding source. Must have full finance plan and FTA approved.

KEY

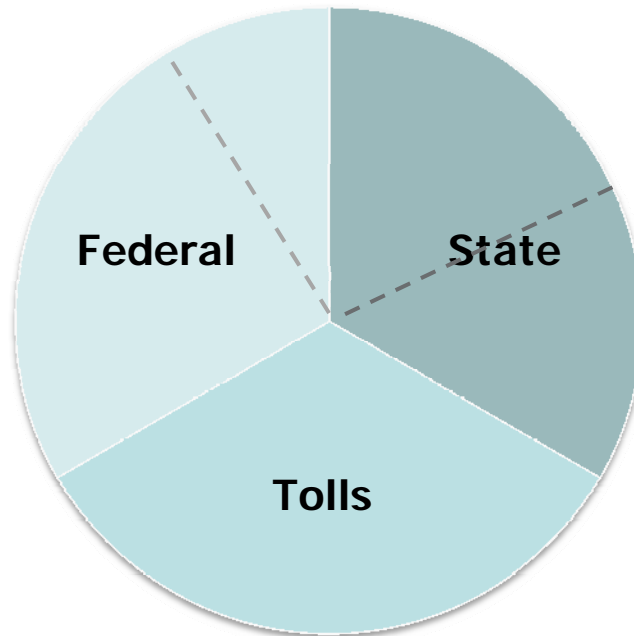
● ● ● ★ = Due Date BLUE = TIFA BLACK = Tolling ORANGE = FTA, FHWA and State Funding

DATE: 10/09/12

Finance Plan



Final EIS finance plan for locally preferred alternative

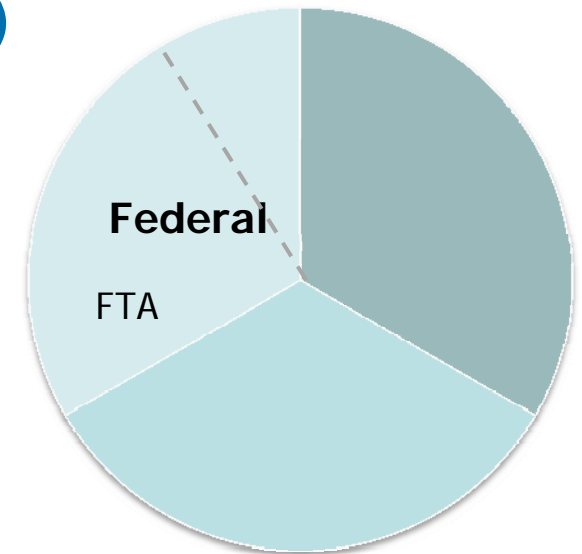


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Oregon.....	\$0.45
TOTAL FUNDING SOURCES	\$3.05-3.45

Federal funds

- **FTA New Starts funds (\$850 million)**

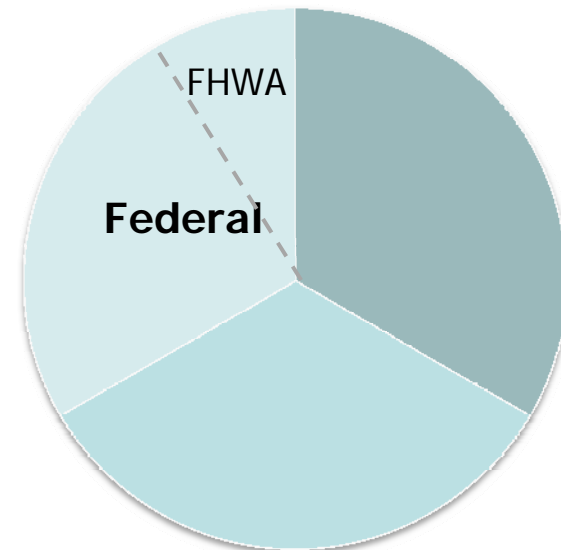
- **Uses:** Light rail route, stations, park and rides, ped/bike access
- **Availability:** 2014 or later – must have all funds (state, tolling) secured
- **Current status:**
 - Submitted annual New Starts application, Sept. 2012
- **Process ahead:**
 - Spring 2013 - Apply to enter final design. Requires locally preferred alternative, FTA risk assessment.
 - Spring 2013 - Enter final design.
 - Fall 2013 - Submit Full Funding Grant Agreement application. Requires local financial commitment.



Federal funds

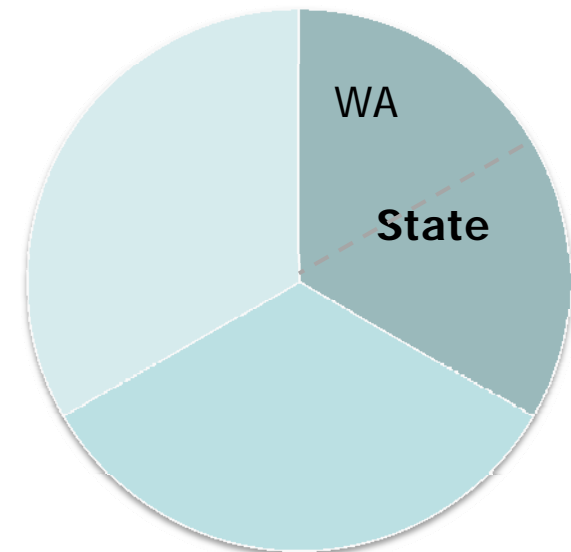
- **FHWA funds (\$400 million)**

- **Uses:** Bridge, highway, interchanges
- **Availability:** 2013 or later
- **Current status and process ahead:**
 - Well positioned to meet funding criteria when discretionary funds become available, timing is uncertain



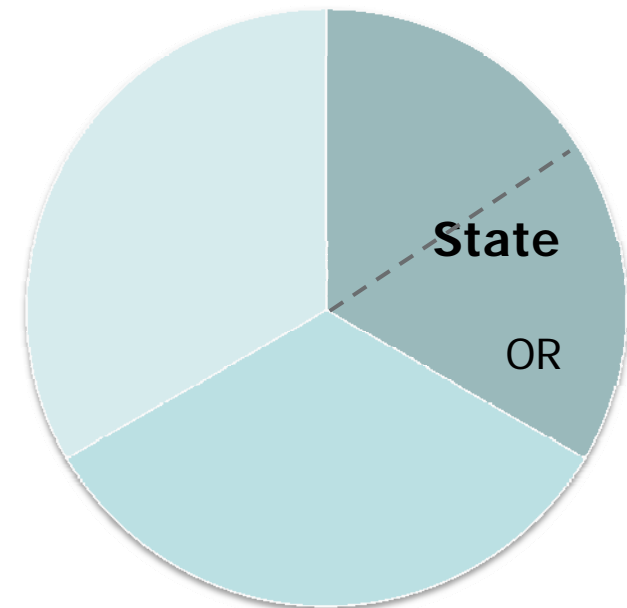
Washington state funds

- **Uses:** Washington highway, interchanges, local improvements, bike/pedestrian
- **Availability:** Authorized by 2013 to meet FTA eligibility and apply for TIFIA loan
- **Current status and process ahead:**
 - 2012 Joint Transportation Committee, Columbia River Crossing Oversight Subcommittee review
 - Equity contribution is \$450 million. Cash flow needs dependent on updated cost estimate



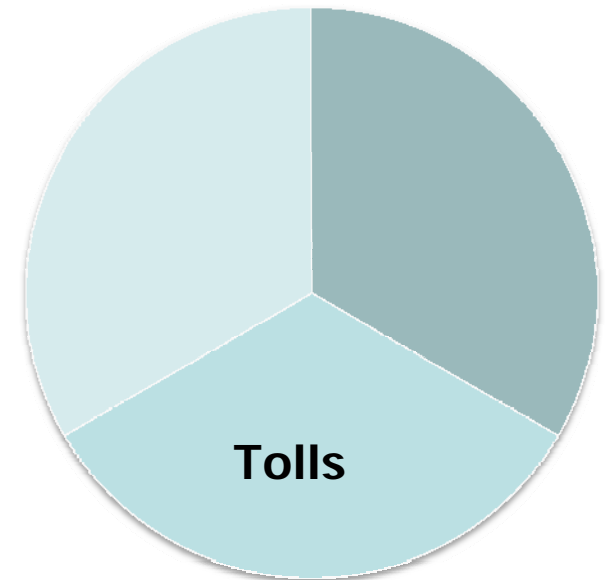
Oregon state funds

- **Uses:** Oregon highway, interchanges, local improvements, bike/pedestrian.
- **Availability:** Authorized by 2013 to meet FTA eligibility and apply for TIFIA loan
- **Current status and process ahead:**
 - 2012 Legislative Oversight Committee and Interim Transportation Committees, and legislators review project.
 - Legislature needs to act in 2013 to meet FTA eligibility



Toll revenue

- **Process:** WA toll authorization legislation (ESSB 6445); develop bi-state toll policy structure for Transportation Commissions; and begin investment grade analysis in 2012.
- **Uses:** Must follow state requirements
- **Availability:** Pre-completion tolling in 2015



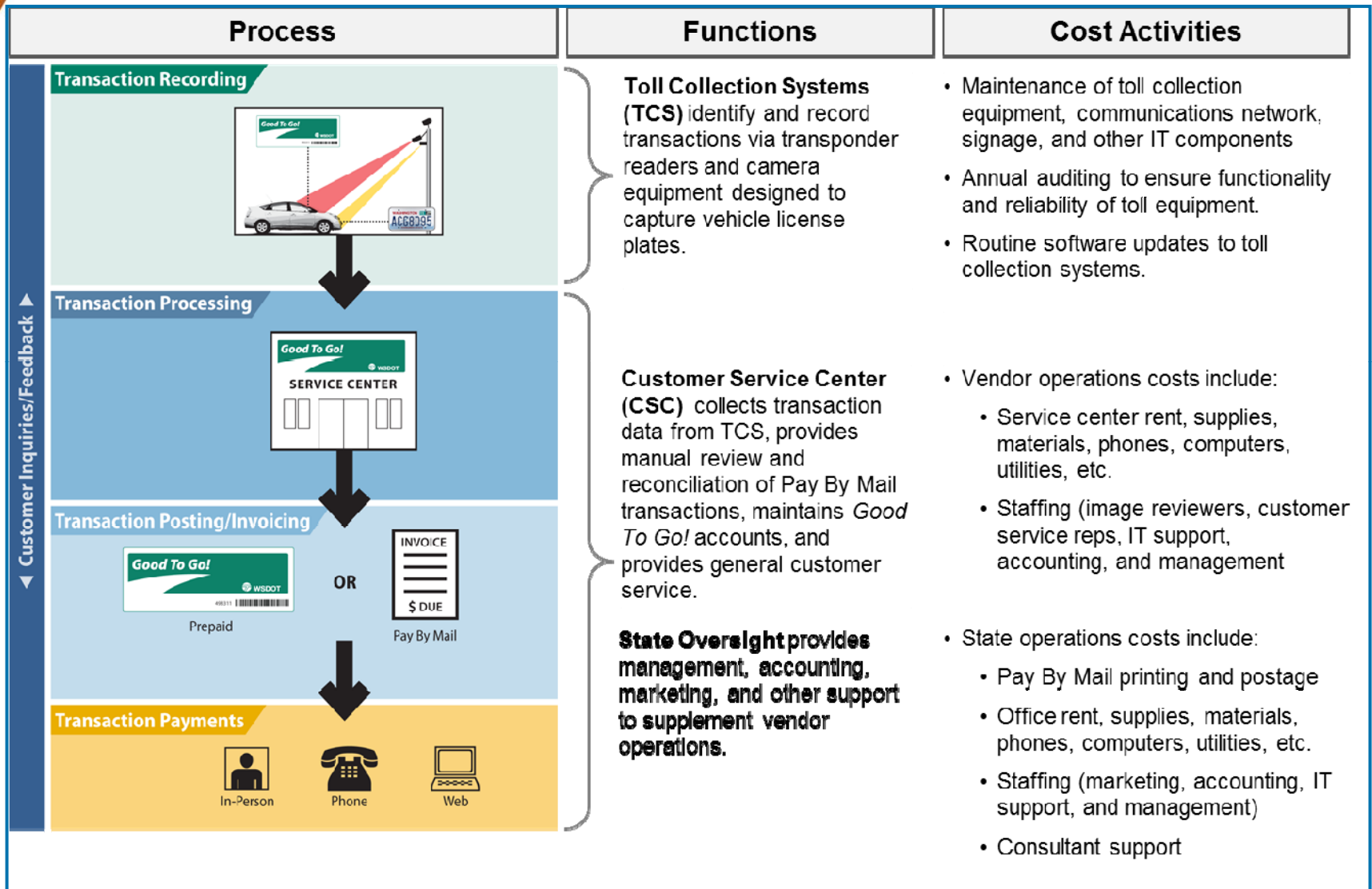
Tolling: Traffic and revenue study

- **CDM Smith & Associates, Inc. awarded contract – Sept. 2012**
- **Phase 1 Work:**
 - **Analysis process development (Oct 2012 – Feb 2013)**
 - Used for toll scenario evaluation
 - **Data compilation and collection (Oct 2012 – Mar 2013)**
 - Compile existing data and collect new data as necessary
 - **Development of investment grade parameters (Oct 2012 – Mar 2013)**
 - Conduct travel pattern and user stated preference surveys
 - **Toll policy scenario development and analysis (Jan – June 2013)**
 - Provide toll analysis scenarios for project planning and toll rate setting analysis

Final EIS tolling assumptions

- **Toll commencement**
 - Pre-completion tolling – 2015
 - Toll point location
- **Toll rate setting process**
- **Assumptions**
 - Timing
 - Rates
 - O&M
 - Business rules
 - Adjudication
 - Enforcement
 - Collections

Cost of toll collection

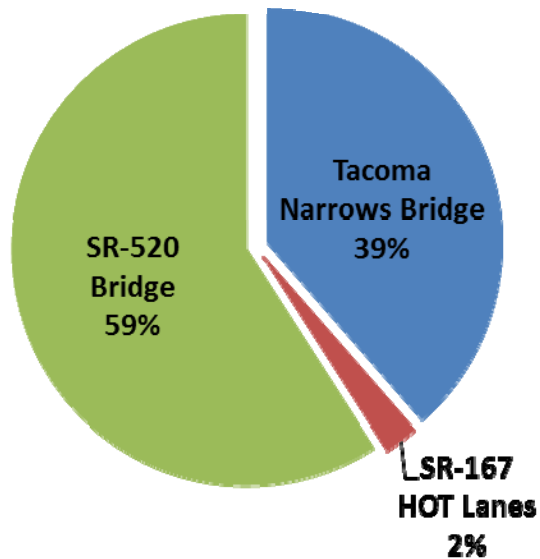


Cost of toll collection

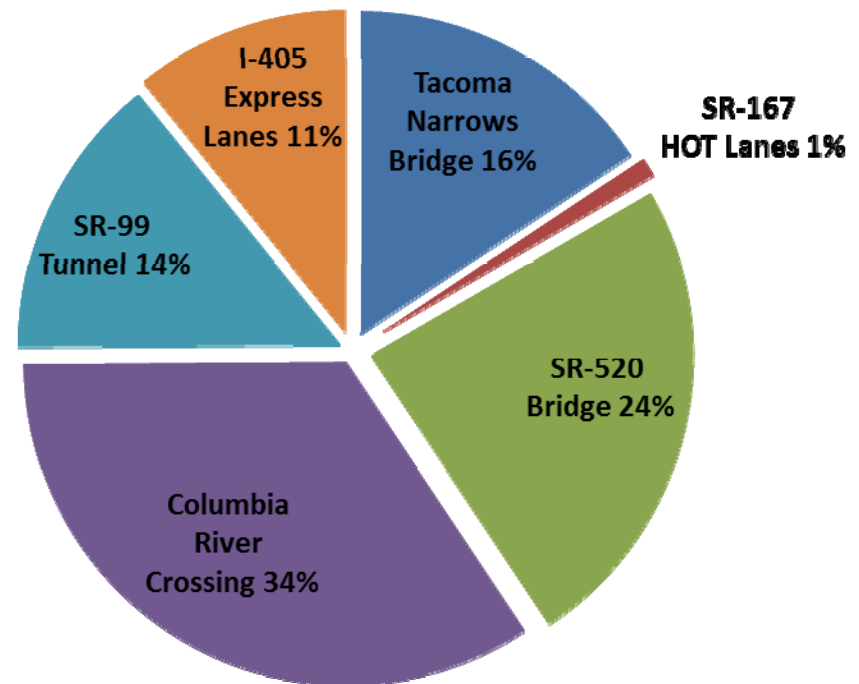
Allocating Cost Among WSDOT Toll Facilities

Customer service center and state oversight costs of toll collection

Existing Tolled Facilities



All Legislatively Authorized Toll Facilities



Traffic and revenue study next steps

- Early 2013 legislative information
 - Reasonable range of toll revenue
- July 2013 legislative report per budget proviso
 - Toll exemptions for vehicles with two more occupants;
 - Tolls that vary by time of day and day of the week;
 - Frequency-based tolls;
 - Impact of light rail on toll revenue;
 - Level of I-5 corridor diversion and toll revenue impacts; and
 - Estimated toll revenue from trips originating within and outside the region by vehicle type.
- Late 2013 traffic and revenue study
- Education about the process

TIFIA and tolling

- **TIFIA is a FHWA loan program to finance transportation projects of national and regional significance**
 - Low borrowing costs in current market
 - Minimal impact on state's general obligation credit
 - Repayment through toll revenues
- **MAP 21 expanded and enhanced TIFIA program**
 - TIFIA authorized for \$750M in FY13, and \$1B in FY14
 - TIFIA financing may now account for up to 49% of total project costs
 - Rolling applications - letters of interest/applications accepted throughout the year
 - Master credit agreement for programs of projects, phased single projects

Coast Guard Bridge Permit



Columbia River CROSSING

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 **Oregon Department
of Transportation**

 **Washington State
Department of Transportation**

Federal Transit Administration • Federal Highway Administration
City of Vancouver • City of Portland • SW Washington Regional Transportation Council • Metro • C-TRAN • TriMet

Composite deck truss bridge

