



**Washington State
Department of Transportation**
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Secretary of Transportation

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November 14, 2012

Senator Mary Margret Haugen
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Representative Judy Clibborn
260A John L. O'Brien Building
P.O. Box 40600
Olympia, WA 98504-0600

Stan Marshburn, Director
Office of Financial Management
P.O. Box 43113
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RE: Columbia River Crossing Quarterly Report ESHB 2190 Sec 305(17)

Dear Senator Haugen, Representative Clibborn, and Director Marshburn:

Section 305, subsection (17) of Engrossed Substitute House Bill 2190 requires the Washington State Department of Transportation to provide a quarterly report on Washington's and Oregon's funding commitments and expenditures for the Columbia River Crossing project. The report is to include the following information:

1. An update on preliminary engineering and right-of-way acquisition for the previous quarter;
2. Planned objectives for right-of-way and preliminary engineering for the ensuing quarter;
3. An updated comparison of the total appropriation authority for the project by state;
4. An updated comparison of the total expenditures to date on the project by state; and
5. The committed funding provided by the State of Oregon to right-of-way acquisition.

This letter transmits to you the quarterly report for the period of July 2012 through September 2012 as required by proviso.

As you are aware, Washington and Oregon have entered into an agreement whereby costs are shared for the design and construction of the shared highway and transit portions of the project. Additionally, each state is responsible for its own right-of-way acquisition costs.

It is important to note that not all expenditures incurred by Oregon are reflected in Washington State's Transportation Budget. There are expenditures related to Oregon's commitment to the project that run exclusively through Oregon's financial systems and will not show in the project information routed through the budget process. This information has been provided by the Oregon Department of Transportation and is reflected separately in the attached report.

Below is a table that shows a high-level breakdown of the shared and non-shared components of the project's funding.

<i>(dollars in thousands)</i>	Washington			Oregon		
	State	Federal	Total	State	Federal	Total
Shared^{1,2}						
Preliminary Engineering	48,188,000	52,555,000	100,743,000	11,732,148	87,397,847	99,129,995
Construction	0	0	0	0	0	0
Sub-Total⁴	48,188,000	52,555,000	100,743,000	11,732,148	87,397,847	99,129,995
			50%			50%
Direct Contribution (Non-shared)						
Right-of-way ³	800,000	23,329,000	24,129,000	0	0	0
Sub-Total	800,000	23,329,000	24,129,000	0	0	0
			100%			0%
Total⁵	48,988,000	75,884,000	124,872,000	11,732,148	87,397,847	99,129,995
			56%			44%

Notes:

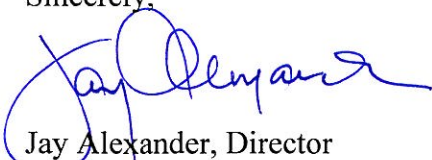
1. Costs are shared with Oregon for bridges, approaches, and transit elements
2. Oregon's preliminary engineering funding is shown as local funds in Washington's Budget
3. Oregon's right-of-way costs are not shown in Washington's Budget
4. Oregon's total does not include \$25 million identified for the CRC yet to be authorized.
5. \$4.1 million of WA funding is assumed to be reappropriated in the 13-15 biennium.

The table above reflects the latest plan to deliver the project as reflected in the 13-15 budget submittal. Right of way funding has been shifted to preliminary engineering and the expenditures for the 11-13 biennium are estimated to be approximately \$4 million less than the approved budget of \$124.872 million shown above.

The reporting proviso also required that \$15 million of the CRC budget be placed in un-allotted status until the State of Oregon's contribution of shared expenses is within \$5 million of Washington's. This requirement was met in the last quarter and WSDOT requested allotment of the \$15 million which was approved by OFM on September 6th.

Please let me know if you have questions on this report or how commitments and expenditures are split between Washington and Oregon. I can be reached at (360)705-7121 or via e-mail at Jay.Alexander@wsdot.wa.gov.

Sincerely,



Jay Alexander, Director
 Capital Program Development and Management Office

JA:gl:ad

cc: Nancy Boyd, Columbia River Crossing
 Robin Rettew, Office of Financial Management
 Jennifer Ziegler, Governor's Office

Columbia River Crossing

Quarterly Report Ending September 2012

Provided in accordance with ESHB 2190, Section 305(17)

Project Description

The Columbia River Crossing project will help address significant safety and congestion problems along Interstate 5 between Vancouver and Portland, a critical freight corridor between Canada and Mexico. A replacement bridge with light rail was chosen as the locally preferred alternative in 2008 because it best addresses the challenges identified through the federal environmental review process: heavy congestion, a high volume of collisions, problems moving freight, lack of a reliable transit option and seismic risk. The project will reduce congestion on I-5 and adjacent neighborhoods, reduce collisions by 70 percent, and provide a more reliable trip for interstate and international commerce that crosses the Interstate Bridge each year. In 2005, truck freight with an estimated value of \$40 billion was calculated to cross the Interstate Bridge.

(i) Update on preliminary engineering and right-of-way activities this quarter:

This quarter's (July - September 2012) activities continued to center on financial planning, New Starts transit funding milestones, permitting, pre-construction activities and design. Accomplishments included:

- Supported Oregon and Washington legislative oversight committee meetings on Aug. 20 and Sept. 12.
- Supported discussions by Washington and Oregon state transportation commissions related to toll setting structures at Aug. 16 and Sept. 19 meetings.
- Prepared and submitted annual update for New Starts application, including finance plan for transit element.
- Submitted Road Map deliverables to FTA in preparation to request entry into transit final design.
- Submitted work plan for General Bridge Permit and preliminary findings to USCG.
- Completed survey and analysis of river users and potential vessel impacts, initiated discussions regarding mitigation of business impacts and prepared draft economic impact analysis for General Bridge Permit.
- Received designation as priority project under President Obama's *We Can't Wait* initiative.
- Completed field work for drilled shaft/driven pile test project.
- Issued RFP for traffic and revenue analysis; selected consultant.

(ii) Planned objectives for preliminary engineering and right-of-way next quarter:

Activities for the next quarter (October – December 2012) will continue to center on financial planning, activities necessary to remain competitive for the federal New Starts transit funding, permitting, pre-construction activities and design. Planned activities include:

- Submit update to Real Estate Acquisition Management Plan.
- Submit Navigation Impact Report to USCG, including analysis of vessel impacts at alternative bridge heights; continue discussions regarding mitigation of business impacts and finalize economic impact analysis.
- Begin detailed traffic and revenue forecast.
- Complete scoping for Initial Construction Program, a requirement for the New Starts application.
- Support meetings of Washington and Oregon legislative oversight committees on CRC.
- Support discussions of toll rate setting structure with Washington and Oregon transportation commissions.
- Conduct NEPA re-evaluation related to bridge design height.
- Review cost estimate.
- Submit 404 permit application.

(iii) Total appropriation by State

Washington			Oregon		
	2011-13	Total		2011-13	Total
State	8,253,000	48,988,000	State	2,537,571	11,732,148
Federal ¹	54,195,304	75,884,000	Federal ¹	27,850,834	87,397,847
Total	62,448,304	124,872,000	Total	30,388,405	99,129,995

¹ \$7.5 million of the Corridor of the Future funding is shown in Oregon's federal appropriation amount, which causes Washington's federal appropriation in 2011-13 to differ from 12LEGFIN.

(iv) Project expenditures through September, 2012

	Washington	Oregon
Shared Expenditures		
Preliminary Engineering	80,510,967	73,346,180
Construction		
Shared Expenditures Sub-total¹	80,510,967	80,641,872
Non-Shared Expenditures		
Right of Way	0	0
Non-Shared Expenditures Sub-Total	0	0
TOTAL	80,510,967	80,641,872

¹ Includes \$7,295,692 in expenditures paid directly by ODOT that are not processed through WSDOT's accounting system

(v) Funds committed by the State of Oregon to right-of-way acquisition:

Oregon has not committed funds to acquire right-of-way.