



Oregon

Tina Kotek, Governor

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DATE: April 24, 2025

TO: Oregon Transportation Commission

FROM: Kristopher W. Strickler
Director

SUBJECT: **Agenda Item K** – Interstate Bridge Replacement Update

Requested Action:

Receive an update on the Interstate Bridge Replacement Program, including details about the Program schedule, preparing for delivery of Program improvements, and the upcoming proposed Statewide Transportation Improvement Program (STIP) amendment for the IBR Program.

Background:

The Interstate Bridge Replacement (IBR) Program will replace the existing Interstate Bridge with a modern, earthquake resilient, multimodal structure that will improve safety and keep people and the economy moving into the future. The IBR Program is currently in the federal environmental review phase. The 60-day public comment period for the Draft Supplemental Environmental Impact Statement (SEIS) concluded in November 2024 and the IBR Program received more than 3,600 public comment submissions that included nearly 10,000 individual [public comments](#). The public input received during the comment period will help inform the technical analysis and design options and refine the preferred alternative that will move into the Final SEIS. The Final SEIS will document all public comments received and their responses.

IBR Schedule Update

The Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) have provided the IBR Program with an updated schedule that allows time for them to review responses to the large number of public comments received on the Draft SEIS, any updated technical analysis, and any refinements to the preferred alternative. FHWA and FTA anticipate that the Final SEIS will be published by the end of 2025, followed by an amended Record of Decision (ROD). The ROD will allow the Program to move into construction, with corridor construction beginning in 2026.

With the updated environmental timeline, pre-completion tolling is anticipated to begin in 2027, allowing time to hire a contractor, install tolling equipment, and conduct the rate-setting process. The Washington State Department of Transportation Toll Division is currently conducting the Level 3 Toll Traffic and Revenue Study with results anticipated toward the end of 2025. Once the results are available, the Bi-State Tolling Subcommittee will review the results and identify which scenarios will move forward for public input, as well as discuss potential options such as a low-income discount and a tribal exemption or discount. The rate-setting process would occur following the commissions' review and feedback and is currently anticipated to conclude during the summer of 2026.

In addition to the environmental and tolling work, the IBR Program also plans to release an updated cost estimate and financial plan later this year that reflects the work the Program has advanced to this point. The cost estimate will account for current market conditions along with potential risks and cost saving opportunities, and includes costs associated with constructing the replacement bridge and other Program components.

Transitioning to Delivery

As the IBR Program advances through the federal environmental review process over the coming months, the Program will begin to transition from planning and preliminary design to final design, right of way acquisition, utility relocation, and construction.

During the upcoming biennium, the first of more than [two dozen construction packages](#) will be let and awarded. Construction is anticipated to begin with contracts that help prepare for the Columbia River Bridge Replacement construction package which will be administered by WSDOT. The Columbia River Bridge package will include the construction of the replacement I-5 bridge downstream of the existing bridge shore-to-shore over the Columbia River to accommodate highway, active transportation and transit modes. This also includes the construction of shoulders on I-5 to accommodate Bus on Shoulder and improve safety. The Bridge Approaches package (administered by WSDOT) will construct roadways and bridges that connect the existing I-5 to the Columbia River replacement bridge. In Washington, this includes the reconstruction of the SR-14 and City Center interchanges and reconstructing I-5 up to Evergreen Boulevard, including a structure for an active transportation-centered community connector/lid in Washington. It also includes connecting the new replacement bridge to the existing I-5 alignment and modifying on- and off- ramps to and from Hayden Island in Oregon. Follow-up packages will be sequenced throughout the Program area following the SR 14A and Evergreen Boulevard construction packages (administered by WSDOT). The IBR Program is also in the process of refining the details of draft construction packages to share with the industry. Construction of the IBR Program could last more than 15 years.

Upcoming STIP Request

According to the 2023 financial plan, the IBR Program is estimated to cost between \$5 billion to \$7.5 billion. During the 2022 and 2023 legislative sessions, Oregon and Washington committed to providing the IBR Program with \$1 billion from each state. The IBR Program will also rely on toll funding to provide between \$1.1 billion to \$1.6 billion for capital construction costs. In addition to state funds and toll funds, the IBR Program has secured a \$1.5 billion FHWA Bridge Investment Program (BIP) Grant, a \$600 million USDOT Mega Grant, and a \$30 million USDOT Reconnecting Communities Pilot (RCP) Grant. The IBR Program has also applied for and been admitted into the first phase (Project Development) of the FTA's Capital Investment Grant (CIG) program and plans to apply for approximately \$1 billion. The CIG program has a multi-phase, multi-year grant application process with FTA approval required for entry into each phase, which provides increased confidence in successfully receiving funding at the end of the process. Under the current schedule, the Program is anticipated to complete the phases and receive a grant award in 2028.

The majority of the funds awarded to the Program through federal discretionary grant programs will be used for the construction phase of the Program. The grant agreements required to access federal funds for the Mega and BIP grants were fully executed and signed earlier this year by ODOT/WSDOT and FHWA. A portion of the funds from these grants has already been obligated; future obligations will occur for the remaining funds once the Program enters the construction phase, as required by the grants.

The IBR Program has secured the necessary funding to advance the Program towards construction and will be nearing the final stages of the federal environmental review process later this year; and as such, will request to program about \$2B of additional funds and phases in the Statewide Transportation Improvement Program (STIP) later this year. Specifically, the request will include:

- **Preliminary Engineering Phase:** Program approximately \$430 million in additional funding to continue to share the planning costs equally with the State of Washington through the 2025-27 biennium. According to the 2023 Financial Plan, this amount will cover costs associated with continuing PE work for early construction packages, as well as continuing overall program management and development work through the 2025-27 biennium. It also includes \$89 million in Oregon GO bond reimbursement for PE phase activities undertaken to date paid for by WSDOT. Additional funding will be needed as PE extends through the entire duration of the IBR Program.
- **Right of Way Phase:** Establish the right of way phase and program approximately \$230 million in funding to begin the initial acquisition of properties. Depending on the package schedule, the ROW acquisition process could begin for some parcels as early as this year. Programing these funds will ensure that IBR has the funds available to begin the acquisition process starting this fall and into mid-2026. According to the 2023 Financial Plan, it is anticipated that the amount requested will be sufficient for the costs associated with ROW acquisition initiated in the 2025-27 biennium. Additional funding will be needed as construction packages progress.
- **Utility Relocation Phase:** Establish the utility relocation phase and program approximately \$10 million in funding for payments to eligible utilities who need to relocate because of construction of the IBR Program. The Program anticipates sharing preliminary designs with utility companies later this year, at which point some may need to begin their redesign work for the Program's first construction packages. It is anticipated that the amount requested will be sufficient for the costs associated with UR needs for IBR's initial construction packages. Additional funding may be needed as construction packages progress.
- **Other Phase:** Establish the other phase and program approximately \$2.5 million in funding for the Program to begin early procurement work for toll gantries and cantilever sign structures which have long lead times. It is anticipated that this amount will be sufficient for the Pre-completion Tolling Signage and Electrical package.
- **Construction Phase:** Establish construction phases and program funding for Pre-Completion Tolling (approximately \$22 million) and the Columbia River Bridge (CRB) Replacement (approximately \$1.3 billion) packages. According to the 2023 Financial Plan, it is anticipated that the amount requested will be sufficient for costs associated with the construction of the CRB and Pre-Completion Tolling Signage and Electrical packages.

Due to various constraints regarding the duration of the STIP amendment process and Program schedule, this STIP amendment is needed before the Program will have the results of the updated cost estimate

and financial plan, anticipated later this year. Therefore, the IBR Program will likely need to amend the STIP amounts for construction and ROW accordingly later during the 2025-27 biennium and again in 2028 contingent upon the FTA CIG award. Following the 2025-27 biennium, the Program plans to advance STIP amendments once per biennium to add funds for subsequent construction packages.

Program Accountability Measures

To provide transparency into Program spending and delivery progress, the IBR Program will provide a report to the Commission as part of the Agency's quarterly Operations Report. The report will include an overview of the Program spending to date and performance on individual project schedules, budgets, delivery timelines, and a preview of future work.

Outcomes:

This is an informational update on the IBR Program designed to provide context for the Commission for ongoing decision-making related to tolling and financial decisions about the Program.