

**DATE:** June XX, 2021

**TO:** Oregon Transportation Commission

**FROM:** Kristopher W. Strickler  
Director

**SUBJECT:** Agenda/Consent XX – Amend 2021-2024 Statewide Transportation Improvement Program (STIP) to increase funding and add a construction phase to the I-205 Improvements project.

**Requested Action:**

Amend the 2021 – 2024 Statewide Transportation Improvement Program (STIP) to increase funding for Preliminary Engineering (PE) funds for the I-205 Improvements project from \$32.2 million to \$50.7 million. The PE funds will increase by \$18.5 million and will be funded by the financial tools provided in House Bill 3055.

Establish the Construction (CN) funding for Phase 1A of the project. Amend the 2021 – 2024 STIP to program \$375 million in Construction funding for Phase 1A. The CN funds will be funded by the financial tools provided in House Bill 3055.

**STIP Amendment Funding Summary:**

<b>Project</b>	<b>Current Funding</b>	<b>Proposed Funding</b>
I-205: I-5 - OR213, Preliminary Engineering (PE)	\$32,200,000	\$50,700,000
I-205: I-5 - OR213, Phase 1A Construction (HB 3055)	\$0	\$375,000,000
<b>TOTAL</b>	<b>\$32,200,000</b>	<b>\$425,700,000</b>

**Project to increase funding:**

<b>I-205: I-5 - OR213 (KN 19786)</b>			
<b>PHASE</b>	<b>YEAR</b>	<b>COST</b>	
		<b>Current</b>	<b>Proposed</b>
Planning	2016	\$12,452,305	\$12,452,305
Preliminary Engineering	2018	\$32,200,000	\$50,700,000
Right of Way	2019	\$2,460,000	\$2,460,000
Utility Relocation	N/A	\$0	\$0
Construction	N/A	\$0	\$0
<b>TOTAL</b>		<b>\$47,112,305</b>	<b>\$65,612,305</b>

Project to add:

<b>I-205: I-5 - OR213, Phase 1A Construction (KN TBD)</b>			
<b>PHASE</b>	<b>YEAR</b>	<b>COST</b>	
		<b>Current</b>	<b>Proposed</b>
Planning	N/A	\$0	\$0
Preliminary Engineering	N/A	\$0	\$0
Right of Way	N/A	\$0	\$0
Utility Relocation	N/A	\$0	\$0
Construction	2022	\$0	\$375,000,000
<b>TOTAL</b>		<b>\$0</b>	<b>\$375,000,000</b>

**Background:**

**Project Overview**

The I-205 Improvements Project improves the congested seven-mile section of Interstate 205 between OR213 and Stafford Rd. by widening and seismically retrofitting the Abernethy Bridge, adding the missing third general purpose lane (northbound and southbound), and creating safer options to enter and exit the corridor with an auxiliary lane from OR43 to OR213, and combining the OR 43 ramps. Once the project is complete, congestion will be reduced from 6.75 hours a day to 2, the Abernethy Bridge will be the first earthquake-ready state crossing of the Willamette River and eight other bridges will be rebuilt or seismically retrofitted.

The National Environmental Policy Act (NEPA) process was completed in December 2018 with a Documented Categorical Exclusion. As preliminary design progressed, three phases of construction were planned. Phase 1 constructs OR213 to 10<sup>th</sup> St. and reached 90% design in May 2021, Phase 2 completes 10<sup>th</sup> St. to Stafford Rd. and is currently at 60% design. Phase 3 was successfully completed on time and budget with the installation of Real Time traffic management signs in late 2020.

Multiple construction contracts will be let to deliver Phase 1, starting with Phase 1A. This phase will go to bid in December 2021, with construction beginning during the allowable in-water work window in summer 2022. Phase 1A includes Abernethy Bridge widening and seismic strengthening, highway construction, OR43 roundabout construction and ramp improvements, OR 99E interchange improvements, stormwater treatment, retaining walls, signing, striping, sign structures, illumination, and construction of a sound wall at Exit 9. Construction of Phase 1A is expected to end in 2026, after 4 in-water work cycles.

Phase 1A will be delivered with an alternative procurement method that scores technical qualifications, approach and cost. The Price-Plus-Multi-Parameter procurement is being used due to the highly complex and technical requirements associated with widening the Abernethy Bridge. In Price-Plus-Multi-Parameter, price is weighted at 40 percent and the technical approach and qualifications make up

the remaining 60 percent. Technical experience will be sought to match the complexities associated with the project including bridge construction/widening; drilled shafts; marine access; temporary traffic control and traffic maintenance; and permit compliance. ODOT is working with FHWA to supplement the Diversity Program goals that will be included in the contract for Disadvantaged Business Enterprises (DBEs), on the job training and Tribal Employment Rights Ordinance (TERO) program.

The addition of \$18.5 million would cover the remaining preliminary engineering costs for Phase 1 and Phase 2. Detailed planning will happen in summer/fall 2021 to determine construction sequencing, contract specifications, traffic management plans and cost estimates, and risk management tools for the Phase 1 contract bundles. This funding will support ongoing project development to fully develop the bid packages for the remaining portions of Phase 1 with the plan to complete construction in 2026.

#### Financial Plan

The Oregon State Legislature has identified toll revenue as the primary source of funding for this project and directed ODOT to develop a toll program for the I-5 and I-205 corridors. The process to implement a toll program is lengthy and it will take several years before any revenues are available to finance the project. Tolling is currently being evaluated under the National Environmental Policy Act (NEPA) process. The earliest tolling could be implemented is 2024 and toll revenue will not be available until that time.

The I-205 project will be constructed in phases; Phase 1A of the I-205 OR213 to Stafford Road project would seismically retrofit and expand the Abernethy Bridge over the Willamette River. Construction of Phase 1A of the project is expected to begin in FFY 2022, and is estimated to cost an additional \$372 million beyond what is already programmed in the STIP. Consequently a source of construction financing is needed to begin construction prior to a tolling decision. In the 2021 Legislative Session, legislation provides this financing through a combination of bonding and short-term borrowing. The legislation, HB 3055, will increase ODOT's short-term borrowing cap to \$600 million and allow for five year maturities. The bill will also allow the \$30 million authorized in HB 2017 (2017 Session), which begins in January 2022 and is currently set aside for the I-5 Rose Quarter project, to be shared between the Rose Quarter and the I-205 OR213 to Stafford Road and Toll Program development projects. Both of these changes provide a means to interim fund Phase 1A of the I-205 OR213 to Stafford Road project before toll revenue becomes available.

#### Attachments:

- Attachment 1 – PowerPoint
- Maps – Location and Vicinity