

A long-term, comprehensive solution

Oregon Transportation Commission
Washington State Transportation Commission

Pendleton, Oregon
September 19, 2012



A project of national significance

- **Critical link between Canada and Mexico**
- **One of the worst freight bottlenecks in the nation**
- **\$40 billion in freight crosses bridge; \$71 billion by 2030**
- **1 in 4 Washington jobs and 1 in 5 Oregon jobs are trade-related**



Critical I-5 problems



- **Crashes:** 400 per year increasing to 750 by 2030
- **Congestion:** 4 to 6 hrs. per day increasing to 15 hrs. by 2030
- **Freight immobility:** 1 in 4 Washington jobs are trade dependent
- **Earthquake risk** due to pilings in vulnerable soils
- **Limited transit options:** Subject to I-5 congestion
- **Poor bike and ped access:** 4 ft. wide shared path

Project benefits

- **Significantly reduce crash rates by up to 70%**
- **Reduce congestion by up to 70%**
- **Improve reliability of state's transportation system for freight movement**
- **Provide better access to ports and support regional job growth**
- **1,900 jobs per year during construction**
- **Meet current seismic safety standards**
- **Up to 6 million light rail transit boardings per year**

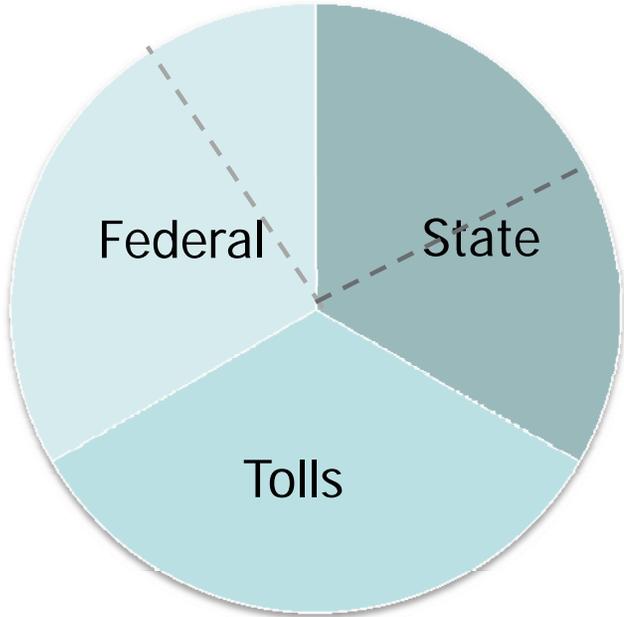
Topics to be covered

- **Financing plan elements and timing**
- **OR and WA toll setting roles and responsibilities**
- **Review and discuss options for toll setting structure**
- **2012 next steps**

Financing

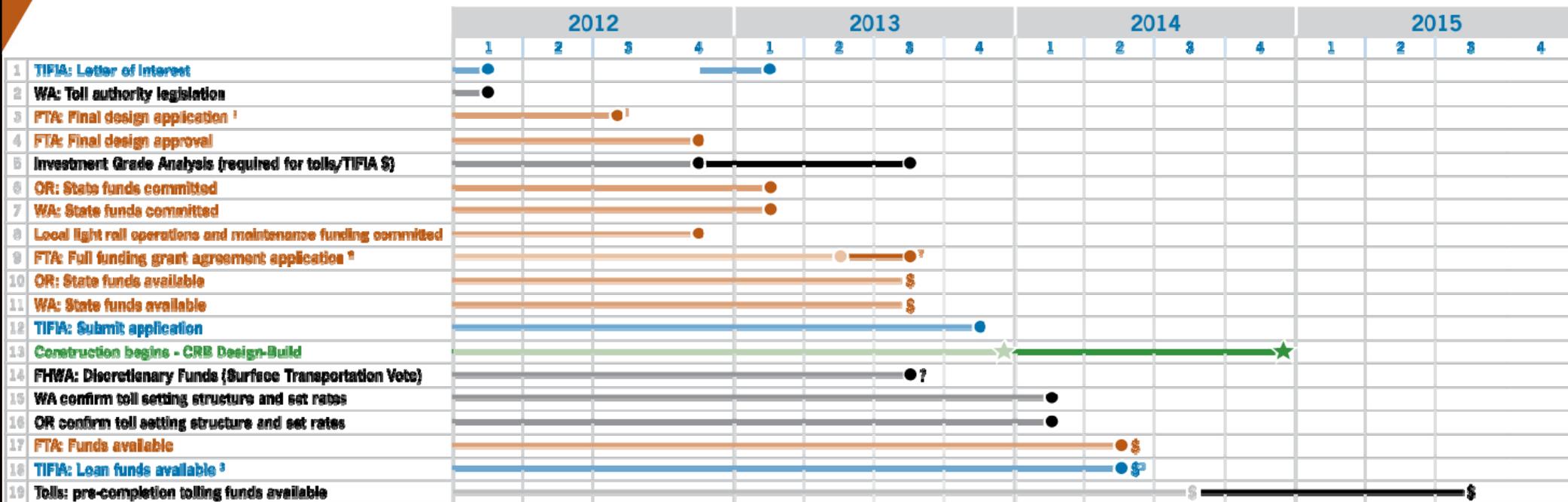


Funding sources for CRC



Targeted Columbia River Crossing Funding Sources	Amount (billions)
FTA New Starts (light rail).....	\$0.85
FHWA.....	\$0.4
Tolls.....	\$0.9 - \$1.3
Washington	\$.45
Oregon.....	\$.45
TOTAL FUNDING SOURCES	\$3.05-3.45

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

^{*}TIFIA is a federal loan and credit program. Tolls are the revenue source for the loan. The federal backed loan program reduces coverage rate for tolls.

¹ Must have 50% non-FTA funds committed or budgeted. Tolling authority in 2012 expected to meet this requirement.

² Must have all funds authorized.

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

KEY

● ● ● ★ = Data Date BLUE = TIFIA BLACK = Tolling ORANGE = FTA and State Funding

TIFIA loan

- **FHWA's program provides federal credit assistance in the form of direct loans, loan guarantees, and standby lines of credit to finance transportation projects of national and regional significance.**
- **Coverage ratios determined by perceived risk of the credit.**
- **Subsidized rates tied to the 30-year Treasury rate. Low borrowing costs in current market.**
- **Minimal impact on state's GO credit.**

Bi-state toll setting



State tolling responsibilities

- **Both departments are responsible for the planning, analysis and construction of all toll bridges and other toll facilities.**
- **Washington and Oregon Transportation Commissions have toll-setting authority in their respective states.**

Oregon tolling responsibilities

- **The Oregon Legislature has granted authority to the Transportation Commission to set tolling policies.**
- **The Oregon Transportation Commission has general supervision and control over all matters pertaining to the selection, establishment, location, construction, improvement, maintenance, operation and administration of state highways.**
- **The Oregon Commission also has the authority to designate toll facilities after evaluating a proposal based on set criteria.**

Washington tolling responsibilities

- **State policies regarding tolling are provided in statute.**
- **Only the Legislature may authorize the imposition of tolls on eligible toll facilities in Washington.**
- **The State Transportation Commission sets toll rates and considers statutory toll policies in determining toll rates.**
- **The Commission also establishes exemptions and ensures that toll rates will generate revenues sufficient to meet operating costs of the eligible toll facilities and for the payment of debt service on the bonds.**

2012 Washington State Legislation

- 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.



2012 – Proposed work plan

- **September**
 - Conceptual agreement on toll-setting structure
- **October/November**
 - Work with bi-state finance/legal staff to draft agreement language
 - Discussions with commissions, as needed
- **December**
 - 12/10 Washington Legislative Oversight Committee
 - 12/12 WSTC vote
 - 12/19 OTC vote

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