



AGENDA

Bi-State Bridge Replacement Working Group Regular Meeting
December 13, 2021 / 2:00-4:00p (2 hour)
Via Zoom

This is a public meeting. To join via Zoom, please RSVP to Kevin Greenwood via email to kgreenwood@portofhoodriver.com

Members: Chair, Mike Fox (Commissioner), Port of Hood River; Vice Chair, Jake Anderson (Commissioner), Klickitat County Betty Barnes (Mayor), City of Bingen; Marla Keethler (Mayor), City of White Salmon; Kate McBride (Mayor), City of Hood River; Bob Benton (Commissioner), Hood River County;

Alternates: Kristi Chapman (Commissioner), Port of Hood River; Arthur Babitz (Commissioner), Hood River County; Catherine Kiewit (Mayor Pro Tem), City of Bingen; Jason Hartmann (Councilor), City of White Salmon; David Sauter (Commissioner), Klickitat County; Jessica Metta (Councilor), City of Hood River.

Staff/Consultants: Kevin Greenwood (Project Director), Port of Hood River; Michael McElwee (Executive Director), Port of Hood River; Fred Kowell (Finance Officer), Port of Hood River; Steve Siegel, Siegel Consulting; Stuart Bennion (Engineering), WSP

1.	Welcome	5m
2.	Approve November 8 Regular Meeting Minutes	1m
3.	Bridge Finances – F. Kowell	15m
4.	Preliminary Cost Estimate - S. Bennion	30m
5.	Governance Update – S. Siegel	10m
6.	Siegel Amendment for Governance/Finance Consulting	10m
7.	Grant Agreement Progress	5m
8.	Tribal Compensatory Agreements	5m
9.	RBMC RFP Update	5m
10.	Other Items	5m
11.	Next Meeting, January 10 th	1m
12.	Adjourn	

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Project Director Report
December 13, 2021

The following summarizes Bridge Replacement Project activities from Nov. 3-Dec. 10, 2021:

APPROVE NOVEMBER 8 REGULAR MEETING MINUTES

Draft minutes sent late last month and are posted on webpage.

BRIDGE FINANCES – FRED KOWELL, POHR CFO

At the last November BSWG meeting, several questions were asked about bridge finances. Fred Kowell, the Port's Chief Financial Officer, will be in attendance to answer questions. Included in the packet are two spreadsheets: (1) Schedule of Bridge Traffic and Derived Debt Capacity via Toll Increases, and (2) Schedule of Revenues and Expenditures Depicting Subsidy.

DEBT CAPACITY FOR FUTURE TOLL INCREASES

There was some discussion about incurring debt to use bond proceeds for additional engineering work.

Kowell developed the Debt Capacity spread sheet with assumptions of an additional dollar on both BreezeBy and cash tolls. The Port was already considering a 5¢ and 25¢ CPI in 2022. With the market requiring half of the new increased toll revenue placed into a coverage reserve and a 15-year repayment term, the issuance could generate \$21M. The Port would need to pay-off (or defease) any outstanding debt if title to the bridge transfers.

There are many steps in preparing for an issuance including implementing a public information plan, preparing financial reports, obtaining a bond rating, and contracting with bond counsel, just to name a few. Anything over \$5M will likely require an issuance on the bond market that would result in a 6-9 month process. A smaller amount could be done quicker.

FEBRUARY 2018 TOLL INCREASE USES AND OPERATIONAL COSTS

The Bridge Repair and Replacement Fund receives the gross revenue from that increase and since then almost \$1.7M in capital repairs on the current bridge have been completed. Remaining debt totaling \$1.2M for bridge repairs was also paid off. A reserve of \$2.7M is estimated to remain at the end of FY21.

The \$5M HB2017 grant proceeds are also received into the R&R Fund as "Other" and the expenses related to the NEPA Phase of bridge replacement are broken out by Personnel and Professional Services. The HB2017 revenue and expenses generally are equal with differences based upon the timing of costs incurred and when the reimbursement was received.

It should be noted that there are potentially three large capital projects in the near future: replacement of the wire ropes, rehab to remove load restrictions and approach ramp work.

Aside from the capital maintenance needs, the Port does not fully capture its operational costs related to bridge replacement. For example, the Port's government affairs contracts totaling just under \$200k this year are not included in the R&R Fund, nor are all personnel costs (est. \$80k).

Assumptions for FY22 include next cash from the Feb. 2018 toll increase to be about \$1.5M and if the operational costs were fully covered, \$670k would remain for additional R&R work.

PRELIMINARY COST ESTIMATE – STUART BENNION, WSP

WSP has completed its final draft of the Preliminary Cost Estimate. The Final PCE will be posted on the Port's Project Resource webpage. Bennion will have a brief presentation summarizing the main points and the balance of the time will be for questions and comments.

It should be noted that less than 5% engineering has been completed resulting in a Class 4 estimate which typically has a 30% contingency. In addition, there are many dozens of assumptions many which will change over the life of the project. As an example, the PCE assumes a traditional contracting method (Design/Bid/Build) requiring design to be completed to a full 100%.

Key factors that impact the contingency include the low level of design, lack of permits and stakeholder input, uncertainty of staging areas and approaches, needed tribal compensatory agreements, lack of project funding, limited project experience by Port, tight in water work windows, inflation including material and labor availability.

Aside from the construction costs are also programmatic costs that Steve Siegel originally helped prepare. Assumption affecting those costs include right of way acquisition, Port facility relocation, tolling system, governance implementation, construction financing costs including traffic and revenue surveys, Replacement Bridge Management Contract (RBMC), port/bridge authority finance staff, other mitigation and commitments and insurance costs.

The fully loaded PCE including escalations and contingencies is \$500M.

GOVERNANCE UPDATE – STEVE SIEGEL

Included in the packet is a presentation from Steve Siegel summarizing the bi-state bridge authority legislation currently being prepped for the 2022 session and the subsequent steps for forming the authority. The Port currently has one contract with Steven Siegel Consulting to consult on the development of bi-state bridge authority legislation, related policy considerations and implementation documents.

AMENDMENT WITH STEVE SIEGEL FOR GOVERNANCE AND FINANCE CONSULTING

Included in the packet is an amendment and supporting exhibits for extending our contract with Steve Siegel. Siegel has been a critical part of the project's success since 2017. Prior to working with the BSWG, Siegel worked with the Port Commission to develop P3 administrative rules and HB2017 legislation.

The original contract, executed in April 2020 with a value of \$75,000, was to work with the Bi State Working Group (BSWG) to evaluate different governance structures, facilitate a decision of the BSWG's preferred structure, develop a Memo of Understanding formalizing the work and

goals of the BSWG and draft preliminary bridge authority legislation for the Washington and Oregon state legislatures.

Amendment No. 1, executed in November 2020, allowed for Phase 2 work including researching, writing and facilitating the BSWG's direction to create bridge authority legislation for the 2022 session. Draft legislation has been reviewed by both state legislative counsel and will be introduced in the upcoming short session. An additional budget of \$200,000 was added to conduct the work. Amendment No. 2 extended the term of the work through January 31, 2022.

Amendment No. 3 will have Siegel continue to work with both state legislatures to answer questions and facilitate negotiations between both states if and when issues come up that may run counter with the other state's legislative progress. In addition, Siegel will help develop policy documents for the participating local governments required to form the new bridge authority upon passage. An additional budget of \$546,500 will bring the total governance contract to \$821,500.

Activity from this new amendment will be covered in part by HB2017 funds and the new Washington state funding. Siegel will continue to be available to both the Port Commission and BSWG as necessary.

Staff plans to prepare the amendment for Port Commission approval at their Dec. 21 regular meeting.

GRANT AGREEMENT PROGRESS

Washington DOT and the Port have been reviewing the draft grant agreement. Attached are two exhibits. One is a more detailed summary of the eligible expenses and, two, a letter from the Klickitat County Commission requesting direct funding to the Port. If comments can be reconciled before December 16, the Port Commission can execute the contract at their Dec. 21 regular meeting.

FHWA has re-submitted BUILD forms for additional Port review. ODOT does not anticipate their agreement for ARPA funding until mid-2022.

TRIBAL COMPENSATORY AGREEMENTS

FHWA, ODOT and Port staff met earlier this month to review elements of the presentation to tribal legal staff. Scheduling has begun with the Umatilla, Warm Springs, Nez Perce and Yakama. Meetings will start in earnest in January.

REPLACEMENT BRIDGE MANAGEMENT CONTRACT RFP

ODOT procurement has reviewed the prepared RFP and has asked for the Port to convert the document into a standardized ODOT format. The State Dept. of Justice will only review state formatted documents. Staff anticipates that the conversion will take 6-8 hours.

Once re-submitted, reviewed by ODOT and again by Schwabe Williamson, it appears that the RFP will be released closer to February 1. Staff will continue to work with the BSWG to develop criteria for scoring the written proposals and final oral presentations. ODOT's

website (<https://www.oregon.gov/odot/Business/Procurement/Pages/LPA.aspx>) will provide guidance as implementing documents are developed.

INFRASTRUCTURE INVESTMENT AND JOBS ACT

The Oregon members of the BSWG met with the Hood River County ACT Members last month to discuss the federal infrastructure program. The Area Commission of Transportation (ACT) met on December 1 to receive testimony about the state's apportionment. The nine state ACTs will offer up priorities to the Oregon Transportation Commission (OTC) for \$384M of ODOT Flexible Funding. The letter to the OTC is included in the packet and Mayor McBride, Commissioner Oates, Commissioner Fox and others were called upon for testimony. The OTC will share the initial public input received in January.

OTHER ITEMS

NEXT MEETING – JANUARY 10, 2022

ADJOURN

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BRIDGE REPLACEMENT PROJECT

Bi-State Working Group Meeting Summary

Monday, November 12, 2021 | 2pm – 4pm
Port of Hood River – via Zoom
1000 E Port Marina Drive, Hood River OR 97031

In Attendance:

Members: Co-Chair, Mike Fox (Commissioner), Port of Hood River; Co-Chair, Jake Anderson (Commissioner), Klickitat County Betty Barnes (Mayor), City of Bingen; Marla Keethler (Mayor), City of White Salmon; Kate McBride (Mayor), City of Hood River. Bob Benton (Commissioner), Hood River County, was excused.

Alternates: Arthur Babitz (Commissioner), Hood River County.

Consultants: Dan Bates and Miles Pengilly, Oregon Govt. Affairs; Brad Boswell and Jessica Hostetler, Wash. Govt. Affairs; Hal Hiemstra, Federal Govt. Affairs; Steve Siegel, Finance/Governance.

Members of the Public: Scott Langer, WSDOT, SW Region; Sam Hunaidi, ODOT, Reg. 1

Staff: Michael McElwee, Executive Director; Kevin Greenwood, Bridge Replacement Project Director

Media: None.

Commissioner Fox opened the meeting and welcomed attendees.

June 2022 Lobbying Goals – Pengilly/Boswell/Hiemstra

Greenwood summarized memo in packet. The Bi State Working Group (BSWG) had challenged the Port's government affairs team to identify outside-the-box funding opportunities to generate \$30-40M of additional funds for ongoing engineering by June 2022. Greenwood noted that since it will be a short session the probability would be near impossible. \$15M has been obtained for project engineering to get started. Engineering consultants believe project can get to Design Acceptance Packet (DAP/25-30%) with current funds. Current Replacement Bridge Management Contract (RBMC) Request for Proposal (RFP) process is currently underway with an April 2022 date for having the RBMC under contract. AE/Design Contract would be under contract by end of Fall 2022. Fox asked for updates from the Government Affairs Team as to why they think these goals are unobtainable.

Hiemstra noted that we can identify sources of state and federal funding by \$30M by next June but having funds awarded will not be possible. Will be asked how much has been spent from prior awards. By next June \$30-40M is not the right target as the money would not be needed by next June, but we still looked at opportunities. Hal noted the loan programs. TIFIA is too early; USDA loan could be an option, but what is the source for paying back the loan, such as toll increases. The timing to get another \$30-40M by next June is not realistic. Fox asked when it would be likely? There will be an aggressive push for the IJA to get that

money to the states next year. Put out new schedule for RAISE grant, INFRA grant (not appropriate right now); BUILD/RAISE funding is best for NOFO early 2022, announcements before the November election. Greenwood noted that it has taken over a year to get a grant agreement with BUILD. USDA loan will ask about the Port's effort for applying to other private lenders.

Thorn Run noted goal to ensure that gaps do not occur for lack of funding. Legislative route to ask for \$10-20M in 2022 session, as there will be no transportation package. Legislature will want to see progress being made with the existing money before putting more in. 2022 is not realistic in short session; but will be pursuing funds in 2023 and 2025. Likely not a transportation package in 2023, but will be asking for \$10-15M, if there is not a transportation package. There has been some talk about a package to fund Oregon's part of the I-5 bridge. \$1.2B from IIJA over five years to Oregon. OTC and ACT will list priorities and narrow down requests. Hood River is in the Portland-area ACT; lots of competition. Still important to build up awareness using members of the BSWG with the ACT. Will continue to meet with legislators ongoing for setting table for when funding occurs.

Connect Oregon may be an option, but the 2020 deadline has passed certainly not by June 2022. Applicant in 2022 not before spring in 2023. Not sure if bridge would be eligible since it funds more for airports, maritime. Average grant is \$1.5M. All of these options are good and viable for funding, but tend to be aimed at multi-modal projects not on highway system.

Brad Boswell discussed unspent ARPA funds; those are funneled into general fund, separated from transportation funding. Interest in moving ARPA into transportation, but will be backfilling the losses from the pandemic primarily for toll projects. New projects will not be eligible. Wash. St. certificate of participation for dedicating toll revenue into a loan program. Is technically for local governments by state, purely a program for Washington state entities and would require legislative change to allow to Oregon entity. Would be longer than 2022. Trans. Package will happen in next two years, likely 2023, but who knows. Brad complimented the Washington members of the BSWG for their advocacy on the bridge. Project is doing a good job positioning ourselves for a transportation package. A 2023 bill passage would be available in 2024. We have been focused on \$100M mark for transportation package. Revenues have been robust interest in moving some general fund money into transportation, if it builds momentum combined with IIJA could push transportation package in 2022. Sen. King has been tireless in getting word about the HRB, but timing can't be guaranteed. 2023 though will be soonest to get toward project.

Review of Fox's submitted work plan cash flow by FY. Request to include columns for project management, design, construction and demolition. More aggressive than Port staff's projections. Construction would start in 2025/26. If we keep going at \$5M a pop, we'll never get there. It's important you understand what we need. If we only have \$9M for design, we're going to have to award the design contract. Fox believes this will be a more expensive approach having to piece-meal design. Hal - \$480M is a big number, but we all understand the need for more funds now vs. later. Timing for June 2022 are unrealistic but we'll continue to push opportunities as fast as possible. Planning grant is fine, but USDOT needs to recognize additional planning/engineering before construction. USDOT has been put on notice that the project will need more money. Fox - RBMC will increase communication and public's awareness on our bridge. We need articles on our bridge it's just as important to us as I-5. We're looking for your help. Great for Washington side talking to legislators; need more on Oregon side or we're not going to get what we need. Current bridge is not safe; it's too narrow and too old.

Mayor McBride hopes we can get some money, but it doesn't sound promising. We are a small fish in a large ocean. Hopeful but skeptical and need to think about other avenues. Understand that consultants are doing what they can do, but it doesn't sound positive.

Commissioner Babitz agreed with Mayor McBride. Major mismatch on cashflow needs vs. our needs. Squeezing harder won't get more. Can we put more toll funding into engineering? Can we rough out a plan for toll increase for engineering? Staff has discussed that a toll increase has a long prep time; \$5M will go to bond market, but will do more work to show steps. Agreement to develop a timeline for raising tolls, what are steps and how to get x amount by summer 2022. Should Port do this? Babitz noted that we also need to know what it will cost to keep current bridge maintained until new bridge is open. The more expensive it is, the more it makes sense to show the cost. McBride noted that a clear plan will help us. We need to keep thinking forward if appropriations don't materialize.

Consultants felt that it would be better to come out with highest number and not a smaller number. Probably won't have two bites at the apple. Hal noted it's a bit different based upon federal targets. RAISE grant has \$25M cap. INFRA grant as \$60-70M range. Project is not advanced enough to be competitive for INFRA but RAISE might be more competitive. Could go for either design or construction. RAISE is most likely in winter/spring of 2022. There will be more funds than ever before; greater chance of success. Need more funds to finish planning and get to shovel ready status. That money would be awarded before 2022 election. (It's been another 12 months to get agreement). Need to make compelling story to show progress. BUILD cap will stay at \$25M but the number of grants will be increased; there will be a lot more grants. Request to take cashflow chart and match up with the federal programs to feed the cashflow. Copy for Oregon and Washington to prepare similar milestones. Add additional columns for funding including fourth column for tolling/local contributions. Focus on plausibility at this point and then discuss probability. (\$\$ estimates are not so plausible)

Consensus recommendations: (1) developing options for increasing the tolls to generate loan proceeds for engineering. (2) cash flow model for maintaining current bridge (3) prepare for RAISE grant NOFO. (4) Lobbyists would add columns for funding by quarter and how much could be generated for both states and feds.

Bridge Authority Legislation Update

Boswell – Klickitat County officials have been meeting with Wash. legislators. Bill has been drafted and Sen. King will be getting signatures. Should get a bill number in mid-December for pre-filing. Session starts in January. Rep. Mos/Corry will prime sponsor house version; most of time will be focused in the Senate. Getting good response from members on the policy side. Met with couple dozen so far.

Thorn Run – JTC co-chairs requested that LC review and vet legislative language drafted by Siegel before committing one of its three bills. LC will report back on Nov. 12. Siegel and Dan Bates reviewed details with LC, should be positive analysis back to co-chairs. Sen. Thomsen is willing to use one of his two bills if the JTC has other priorities. We will have a vehicle for introducing the bill into session; just a question whether it's a committee bill or a Sen. Thomsen bill. Rep. Williams and Sen. Thomsen would both be co-sponsors. It had been unclear about our success due to the minimum opportunities.

Commissioner Anderson asked how much money has been raised by Feb. 2018 toll increase for bridge repair and replacement; we need more detail on the toll increase. Request for a report to be produced showing how Feb. 2018 tolls have been used. Mayor McBride noted that the 2018 increase was for repair and replacement.

Tribal Compensatory Agreements (CAs)

ODOT budget has been released. Six months, \$20k. Viewed as a retainer not a cap. Amendment will be developed for CAs and Sec. 106 work. Grants will reimburse ODOT for their expenses. FHWA assumes that the impacts to treaty fishing sites will be intermittent, open to discuss acknowledgement of the underwater easement but is hesitant to open up the TFAS to construction, housing. Fox would like access at least for construction. Greenwood noted treaty concerns but will FHWA will continue to take lead on negotiations. Needs to be government to government interaction. Negotiations will be between ODOT Cult. Resources and FHWA will be meeting with individual tribal agency contacts. FHWA Oregon Div. is the lead federal agency; Washington Div. agreed that Oregon is lead so WSDOT will be available for support.

Management Contract (RBMC) RFP

Greenwood reported that the Replacement Bridge Management Contract (RBMC) RFP will be sent to ODOT review. One of the elements that was incorporated into the RFP was ODOT's requirement to include the project delivery method into the RFP. Sam Hunaidi from ODOT noted that from a legal point of view, if any changes are made after an RFP is approved, then the Department of Justice would have to re-evaluate the entire document.

Greenwood is putting together an "interest list" of contractors that have met with him over the years. Commissioner Fox suggested doing a "industry day" zoom meeting where potential RBMC companies would receive information on the RBMC responsibilities and a better understanding of owner expectations. Several of the BSWG members would like to participate in this event.

Preliminary Cost Estimate

Commissioner Fox reported that they are making great progress on the cost estimate. Action items have come up and the Port has committed to come back to those. Commissioner Fox presented a short video by American Segmental Bridge Institute (ASBI). The video explained the methodology that the cost estimate is based on for building the new bridge.

Greenwood noted that Port staff will be working with WSP environmental team to further evaluate the challenges related to converting recreational properties to construction laydown areas.

Work Plan Input

Commissioner Fox provided an overview of the RBMC work plan. Workplan includes a significant amount of detail. BSWG consensus was to present this document to the Port Commission.

\$15M Category Breakdown

Greenwood reported that WSDOT is getting close to having a grant agreement prepared for the project. The Port has been asked to develop an exhibit to the agreement showing how the grant would be used. Greenwood presented a chart on how the \$15 million would be split between three funding agencies.

Minutes

Motion: Approve BSWG Minutes for: Sept. 2, Sept. 13, and Oct. 11

Move: Arthur Babitz

Second: Jake Anderson

Discussion: None

Vote: Unanimous

Recommendations - Kevin Greenwood

- a. Develop an evaluation of feasibility of options for toll increases
- b. Develop a report summarizing the revenue generated from February 2018 toll increase.
- c. Develop a cashflow model of the current bridge.
- d. Provide a list of detailed funding opportunities from all the consultants.

Adjourn

Meeting was adjourned at 4:15pm.

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PORT OF HOOD RIVER
Schedule of Revenues and Expenditures Depicting Subsidy
For the Four Fiscal Years Ending June 30, 2021

	Revenue Fund				Bridge Repair & Replacement Fund			
	2021	2020	2019	2018	2021	2020	2019	2018
Revenues								
Toll - 1st \$0.50 Discretionary	\$ 2,225,961	\$ 2,099,907	\$ 2,311,335	\$ 2,330,960				
Toll - Next portion (\$0.50 to \$0.80 Breezeby + \$1 Cash)	1,654,987	1,584,995	1,599,485	1,741,257				
Tolls - 2018 Increase - (\$0.80 to \$1 Breezeby + \$1 to \$2 Cash)					1,774,814	1,591,337	1,981,018	849,112
Other	32,802	61,291	16,475	32,446	1,348,336	1,397,655	1,473,192	265,399
Total Revenues	3,913,750	3,746,193	3,927,295	4,104,663	3,123,150	2,988,992	3,454,210	1,114,511
Operating Costs								
Personnel	1,149,066	1,052,059	935,293	837,710	269,647	268,774	255,689	157,059
Utilities	15,558	16,459	18,188	17,169			-	-
Insurance	310,077	293,859	265,517	265,834	854	793	680	604
Maintenance	19,644	8,790	30,043	41,197	25,823	14,958	2,910	-
Professional Services	219,168	323,340	195,753	162,485	1,226,280	1,225,282	1,308,767	207,616
Transaction Costs (Transponder/Credit Card)	166,455	137,472	166,679	103,445			-	-
Miscellaneous and IT	100,060	169,895	70,677	61,981	15,516	20,352	33,602	27,911
Total Operating Costs w/o Depreciation	1,980,028	2,001,874	1,682,150	1,489,821	1,538,120	1,530,159	1,601,648	393,190
Capital Improvements	49,000	122,229	261,098	197,498	216,428	228,954	775,664	528,244
Debt Service	-	-	-	-			485,776	677,267
Net Revenues after Capital and Debt Service	\$ 1,884,722	\$ 1,622,090	\$ 1,984,047	\$ 2,417,344	\$ 1,368,602	\$ 1,229,879	\$ 591,122	\$ (484,190)
Non-Bridge Revenues	\$ 3,140,056	\$ 3,126,963	\$ 3,232,159	\$ 2,700,347				Cumulative Reserves since FY 2017-18 \$ 2,705,413
Non-Bridge Expenses	(3,386,376)	(3,327,477)	(3,111,388)	(2,818,894)				Near Term Bridge Projects
Lobbying Costs (included in General Fund)	(202,333)	(153,331)	(172,943)	(127,331)				Less: Bridge CIP in 2023 - Replace Wire Ropes (1,600,000)
Net Operating Revenues	\$ (448,653)	\$ (353,845)	\$ (52,172)	\$ (245,878)				Less: Bridge CIP in 2023 - Load Rehab (1,000,000)
Income from grants and other sources (taxes)	3,107,187	1,573,662	413,082	1,417,736				Less: Bridge CIP in 2022 - Approach Ramp work (600,000)
Capital Outlay	(4,303,260)	(1,763,843)	(1,292,940)	(2,892,725)				(494,587)
Debt Service - Marina & Jensen	(255,641)	(219,305)	(270,531)	(381,331)				Add: FY 2021-22 Estimated reserves 1,500,000
Subsidy from Bridge revenues	\$ (1,900,367)	\$ (763,331)	\$ (1,202,561)	\$ (2,102,198)				Less: Bridge Ongoing Annual Lobbying costs (255,000)
Funds transferred in (out) of Reserve	\$ (15,645)	\$ 858,759	\$ 781,486	\$ 315,146				Less: Bridge Ongoing Annual staffing costs (80,000)
Bridge Traffic	4,085,401	4,076,838	4,411,836	4,502,181				Remaining <u>670,413</u>
Capital Outlay for Non-Bridge Assets								
Airport North Apron, South Taxiway, Master Plan, etc.	\$ 3,540,909	\$ 1,266,901	\$ 424,343	\$ 1,993,950				
Big 7 Roof	230,313							
Halyard Building TI	260,000							
Jensen Environmental and other improvements	29,785	108,242		265,678				
HR Distillers Storm Line costs			96,727					
Hanel Land Improvements	17,087	114,257	511,887	275,070				
Parking Kiosks and Enforcement Equipment			69,074	76,813				
Wasco TI		84,822						
All Other Capital Projects	\$ 225,166	\$ 189,621	\$ 190,909	\$ 281,214				
	\$ 4,303,260	\$ 1,763,843	\$ 1,292,940	\$ 2,892,725				



**PORT OF HOOD RIVER/WSDOT GRANT REIMBURSEMENT EXHIBIT A
DRAFT PROJECT CATEGORY SPLITS BY QUARTER (Jan 2022 - Jun 2023)**

	TOTAL WSDOT	FY 2022 (x \$1000)			FY 2023 (x \$1000)				
		JFM	AMJ	SUB	JAS	OND	JFM	AMJ	SUB
ADMINISTRATIVE									
Administrative and Legal	\$360,000	\$50	\$55	\$105	\$60	\$65	\$65	\$65	\$255
Includes staff, legal costs, travel and reimbursable expenses.									
SUBTOTAL ADMINISTRATIVE	\$360,000	\$50	\$55	\$105	\$60	\$65	\$65	\$65	\$255
PROJECT MANAGEMENT									
Replacement Bridge Management Contract (RBMC)	\$1,540,000	\$100	\$110	\$210	\$330	\$340	\$330	\$330	\$1,330
Obtain technical assistance for short and long-term project planning, develop AE/Design procurement process and facilitate selection of engineering firm, evaluate project delivery approach and other services.									
Public Involvement	\$60,000	\$10	\$10	\$20	\$10	\$10	\$10	\$10	\$40
Create public outreach and informational materials for informing the public on project progress.									
Project Delivery Support	\$20,000	\$0	\$0	\$0	\$0	\$0	\$10	\$10	\$20
Assistance in and facilitation of selecting a project delivery method for project construction.									
RBMC BUILD 20%	\$18,000	\$0	\$18	\$18	\$0	\$0	\$0	\$0	\$0
SUBTOTAL PROJECT MANAGEMENT	\$1,638,000	\$110	\$138	\$248	\$340	\$350	\$350	\$350	\$1,390
ENGINEERING/DESIGN									
Architectural, Engineering & Design	\$828,000	\$0	\$0	\$0	\$207	\$207	\$207	\$207	\$828
AE/Design BUILD 20%	\$934,000			\$0	\$230	\$234	\$235	\$235	\$934
Complete preliminary engineering and begin bridge design.									
Geotechnical/BUILD 20%	\$152,000	\$0	\$152	\$152	\$0	\$0	\$0	\$0	\$0
Obtain upland and river borings for geotechnical analysis use for evaluating foundation risks.									
SUBTOTAL ENGINEERING/DESIGN	\$1,914,000	\$0	\$152	\$152	\$437	\$441	\$442	\$442	\$1,762
OTHER STUDIES/SERVICES									
NEPA - Sec. 106, PCE, Tribal, etc.	\$80,000	\$40	\$40	\$80					\$0
Financial Planning	\$72,000	\$12	\$12	\$24	\$12	\$12	\$12	\$12	\$48
Evaluate financial and funding criteria including bond rates, grant opportunities, operational costs, firmer cost estimates, etc. to be used in ongoing financial opportunities.									
Government Review	\$80,000	\$30	\$10	\$40	\$10	\$10	\$10	\$10	\$40
ODOT and other agency technical review of project materials									
Public Private Partnership (P3) Advising	\$50,000	\$0	\$0	\$0	\$0	\$0	\$30	\$20	\$50
Technical assistance in evaluating P3 as a possible financing method.									
Governance Legislation/Implementation	\$390,000	\$45	\$45	\$90	\$75	\$80	\$75	\$70	\$300
Technical assistance in developing a bi-state bridge authority including the creation of legislation, governance documents and a plan for implementation.									
BUILD 20%	\$10,000	\$0	\$10	\$10	\$0	\$0	\$0	\$0	\$0
Traffic and Revenue Studies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Evaluate and recommend toll policies required for financial analysis.									
BUILD 20%	\$10,000	\$0	\$10	\$10	\$0	\$0	\$0	\$0	\$0
SUBTOTAL OTHER STUDIES/SERVICES	\$692,000	\$127	\$127	\$254	\$97	\$102	\$127	\$112	\$438
RIGHT OF WAY ACQUISITION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CONTINGENCY									
Contingency	\$270,000	\$0	\$0	\$0	\$0			\$270	\$270
Contingency/20% BUILD	\$126,000	\$0	\$126	\$126	\$0				\$0
SUBTOTAL CONTINGENCY	\$396,000	\$0	\$126	\$126	\$0	\$0	\$0	\$270	\$270
TOTAL	\$5,000,000	\$287	\$598	\$885	\$934	\$958	\$984	\$1,239	\$4,115
BUILD MATCH (20%) SUBTOTAL	\$1,250,000			\$316					\$934



KLICKITAT COUNTY
BOARD OF COUNTY COMMISSIONERS



205 S. COLUMBUS AVENUE, ROOM 103, GOLDENDALE WASHINGTON 98620 • VOICE 509 773-4612
JACOB ANDERSON, DISTRICT #1
DAVID M. SAUTER, DISTRICT #2
DAN CHRISTOPHER, DISTRICT #3

October 26, 2021

TO: Carley Francis, SW Region Administrator

SUBJECT: SR 35, Hood River Bridge Appropriation

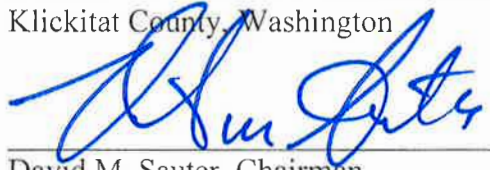
The Washington State Legislature enacted Engrossed Substitute Senate Bill 5165, Chapter 333, Laws of 2021 (pv), Section 311(1) the Washington State Legislature appropriated \$5,000,000 for the Hood River Bridge (L2000372) Project identified in the LEAP transportation document to Klickitat County.

As Klickitat County is not the direct Project Manager on the Hood River Bridge Replacement Project, the County would find management of the agreement to be administratively burdensome, the County requests that the Washington State Department of Transportation provide a direct funding agreement to the Port of Hood River and administer funds for the Project.

Should you have questions, please feel free to contact our office at (509) 773-4612.

Sincerely,

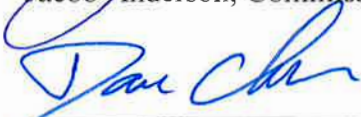
BOARD OF COUNTY COMMISSIONERS
Klickitat County, Washington



David M. Sauter, Chairman



Jacob Anderson, Commissioner



Dan Christopher, Commissioner



Governance Update

PRESENTED TO BSWG DECEMBER 13, 2021

Purposed of Today's Briefing

2

- ▶ Work will begin in January 2022 that heads to the formation of a Bi-State Bridge Authority (BSBA) by July 2023
- ▶ During the 18-month period there will be extensive involvement with BSWG to resolve issues and take necessary steps to meet this target
- ▶ Today's briefing is an early preview provides a:
 - ▶ Quick refresh of proposed legislation
 - ▶ Preview of key steps over the next 18 months
 - ▶ Summary of what drives the process and why

Status of Proposed Bi-State Bridge Authority (BSBA) Legislation

- ▶ Anticipate bill will be introduced in 2022 Oregon and Washington Legislative Sessions
- ▶ Proposing a few revisions before start/early session that are not anticipated to be controversial:
 - ▶ Clarify that BSBA is subject to simplified budget requirements common to governmental entities without taxing powers
 - ▶ Provide for a transition period during which the BSBA can be budgeted as a component of a local area government budget
- ▶ Both sessions end in early March. If passed, law effective 90 days after each respective session ends

Key Proposed Revisions to Draft Bill

- ▶ the Board shall prepare and adopt a single-year or biennial budget and make appropriations in accordance with this subsection (8). The Board shall: (i) establish a budget committee, (ii) publish public notice of each meeting of the budget committee, (iii) publish public notice and hold a public hearing on the proposed budget prior to enacting a budget, (iv) adopt, the budget, as it may be amended or revised by the Board, prior to the start of the budget period, (v) enact such amendments or supplementary budgets during a budget period as the Board may determine are appropriate, and (vi) transmit to local area governments a copy of the final budget and any amended or supplementary budgets approved by the Board. In no case can the adopted budget expenditure allowances exceed total estimated revenues unless accompanied by proposed legislation to obtain an equivalent amount of additional revenue. The Board may adopt, and from time to time, amend a rule that further details the preparation of the budget and the process for its adoption.
- ▶ The Commission Formation Agreement may establish a transition period during which, in lieu of an independent budget for the Commission approved by the Board, revenues passed-through to the Commission and the expenditures of the passed-through revenues are authorized and budgeted as a component of a budget approved by a local area government.

What does Proposed Governance Bill Do?

- ▶ Bill does **NOT** establish BSBA
- ▶ Instead, it authorizes local area governments to form the BSBA
- ▶ Done via a Commission Formation Agreement, approved by local governing bodies, which establishes:
 - ▶ Name of Commission
 - ▶ Effective date
 - ▶ Primary Place of Business
 - ▶ Composition and appointment process for Board of Directors
 - ▶ Term of office, rules, responsibilities of chair and vice-chair
 - ▶ Requirements for actions of the Board,
 - ▶ Other provisions as local area governments may elect

Funding Plan drives Governance Schedule and Work Plan

- ▶ Must have all project funding fully committed in time to mobilize for work during in-water work window in October 2027
- ▶ TIFIA Process is Critical Path; Needs to Synch with Engineering and Traffic and Toll Revenue Studies
 - ▶ Letter of Interest/Draft Application for TIFIA Loan: June 2024 and Preliminary Credit Rating: August 2024. BSBA is lender. Want to show at least one year of BSBA transitional operations
 - ▶ TIFIA Application: April 2025. Want to show increasingly complete and capable BSBA
 - ▶ Pre-Closing Credit Ratings: September 2025. BSBA must pass muster as an investment-grade capable organization

TIFIA Process Tends to be Lengthy

	State	Proj. Cost	TIFIA Loan	No. of Days	Eliminate Outliers
PRIMARY REPAYMENT: TOLL REVENUE					
Gilcrease Expressway West	OK	\$365	\$120	515	515
US-183A Phase III	TX	\$323	\$106	1277	
San Bernardino County Transportation Authority I-10	CA	\$897	\$225	1162	
I-15 Express Lanes Project	CA	\$461	\$152	632	632
Grand Parkway Segments H&I	TX	\$1,924	\$605	1221	
Transform 66 - Outside the Beltway	VA	\$3,724	\$1,229	798	798
Monroe Expressway	NC	\$800	\$166	559	559
C-470 Express Lanes	CO	\$321	\$107	589	589
Grand Parkway Segments D-G	TX	\$2,913	\$841	533	533
I-77 HOT Lanes	NC	\$635	\$189	1015	
Complete 540 Phase 1	NC	\$1,052	\$502	342	342
Wekiva Parkway	FL	\$587	\$193	589	589
Northwest Corridor	GA	\$834	\$275	423	423
Avg. No. of Days =				742.7	553.3
PRIMARY REPAYMENT: STATE/LOCAL FUNDS					
Hampton Roads Regional Priority Projects	VA	\$1,057	\$500	483	
BelRed Street Network	WA	\$323	\$100	310	
I-93 Improvements Salem to Manchester Project	NH	\$812	\$200	503	
Riverwalk Expansion	IL	\$420	\$99	261	
New NY (Tappan Zee) Bridge Replacement	NY	\$4,979	\$1,600	470	
Avg. Amt. of Days =				405.4	

Questions?

AMENDMENT NO. 3
TO PERSONAL SERVICES "GOVERNANCE" CONTRACT

This Amendment No. 3 to Personal Services Contract ("Contract") is entered into this **21st day of December, 2021** by and between Steven M. Siegel ("Contractor") and the Port of Hood River ("Port"), an Oregon Municipal Corporation.

RECITALS:

WHEREAS, Contractor and Port entered into a Contract dated March 17, 2020 for governance consulting including researching and presenting various types of interstate governance structures, working with the Bi-State Working Group (BSWG) to determine a preferred governance structure, developing for the BSWG a Memo of Understanding (MOU) laying out a path and strategy for future bridge governance work; and

WHEREAS, Contractor produced a long-term preliminary schedule for governance/organization work dated March 8, 2020 showing four phases of work through 2025; and

WHEREAS, Phase 1 was completed with the adoption of the BSWG MOU and submission of a preliminary governance study bill in October 2020; and

WHEREAS, Amendment No. 1 was approved November 17, 2020 to carry out Phase 2 work including the development of draft bi-state bridge authority legislation for Oregon and Washington both of which have received comments from respective legislative counsel; and

WHEREAS, Amendment No. 2 was approved August 21, 2021 to extend the term of the contract through January 31, 2022; and

WHEREAS, Amendment No. 3 shall provide for Phase 3 work described in Exhibit A including responding to legislative queries on the bridge authority legislation, developing policy documents for participating local governments to consider for the formation of the new authority and preparing governance documents for the new authority; and

WHEREAS, all terms used in Amendment No. 3 have the meaning given to them as in the original governance contract, except as amended hereby;

NOW, THEREFORE, Port and Contractor agree to carry out the additional services for an additional amount not to exceed **\$546,500** for a total contract amount not to exceed **\$821,500** and to extend the term of the contract through June 30, 2023.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 3 to be duly executed effective the day and year first above written.

Steven M. Siegel

Port of Hood River

3787 S.W Lyle Court
Portland, Oregon 97221
(503) 274-0013

Michael S. McElwee
Executive Director
1000 E. Port Marina Drive
Hood River OR 97031

**PHASE IIA SCOPE AND BUDGET
FOR PERIOD JANUARY 1, 2022 THROUGH JUNE 30, 2023**

1. Scope of Work

1.1. Fee Category 1: Governance

- a. Assist in refining governance legislation, as required, and providing technical support
- b. Prepare, undertake a review process, and seek enactment of the Commission Formation Agreement
- c. Prepare, undertake a review process, and seek enactment by the Board of the Commission of by-laws for the Commission
- d. Analyze the long-term administrative/governance costs of the Commission, and assess funding options to pay such costs
- e. Prepare, undertake a review process, and seek Board approval of FY2024 budget
- f. Prepare and seek approvals of intergovernmental agreements with POHR and others to perform work on behalf of the Commission
- g. Participate in Bi-state Working Group and Commission meetings, as required for governance issues.
- h. Coordinate with Port and project management consultant, as required
- i. Work with governmental offices in Oregon and Washington to ensure that the relationship between their responsibilities and those of the Commission are properly integrated

1.2. Fee Category 2: Financial Planning and Project Assistance

- a. Prepare materials for 2023 grant request to Washington, provide technical support to grant request.
- b. Prepare materials for 2023 grant request to Oregon, provide technical support to grant request.
- c. Provide financial planning support to Infrastructure Investment and Job Act grant requests
- d. Establish preliminary assumptions for financial analysis.
- e. Undertake preliminary financial planning analyses
- f. Participate in Bi-state Working Group and Commission meetings, as required for financial issues.
- g. Assist in the procurement of, and oversight of technical work by, the Traffic and Revenue Consultant.
- h. Coordinate with and assist Port and project management consultant, as required

2. Budget

Fee Category:	1/1/22 – 12/31/22	1/1/23 - 6/30/23	Total
1: Governance	\$231,000	\$132,500	\$363,500
2: Financial Planning and Project Assistance	\$90,000	\$93,000	\$183,000
	\$321,000	\$225,500	\$546,500

Oregon Transportation Commission
Attn: Commission Assistant
Oregon Department of Transportation
355 Capitol Street NE, MS11
Salem, OR 97301-3871

December 2, 2021

RE: Public Comment Submission for December 7, 2021 IJJA Project Prioritization;
Hood River-White Salmon Interstate Bridge Replacement Project.

Dear Chair Van Brocklin and members of the Oregon Transportation Commission:

Thank you for the opportunity to provide comment on priorities for Oregon's apportionment of the Infrastructure Investment and Jobs Act (IIJA). The Hood River-White Salmon Interstate Bridge Replacement project has been the #1 economic development priority in the MidColumbia region for many years. The bridge is nearly 100 years old, critical to regional infrastructure, and at the end of its useful life. The project has received \$15 million in funding to begin engineering, but that is not enough to complete engineering which is expected to cost \$40 million. Please consider the unique position of this project; its magnitude and cost are out of reach for most local programming dollars.

We hope that the OTC and ODOT will keep in mind that a minimum of 15% of the IIJA funding is dedicated for off-system bridges. Flexible funding and resilience programs may be other excellent opportunities to complete funding for project engineering.

Due to the rural location of the Hood River-White Salmon Interstate Bridge, we believe that funding this critical piece of infrastructure meets the priorities identified within OTC/ODOT goals including equity, modernizing the state's transportation system, and identifying sufficient and reliable funding.

As you consider allocation of IIJA resources, please remember this region's critical need for continued state and federal funding for the Hood River-White Salmon Interstate Bridge replacement project. It is the MidColumbia region's highest priority.

Respectfully,

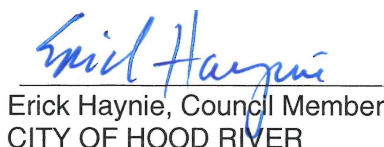
HOOD RIVER COUNTY REGION ONE ACT MEMBERS



Michael Oates, Commission Chair
HOOD RIVER COUNTY



Jess Groves, Commission Chair
PORT OF CASCADE LOCKS

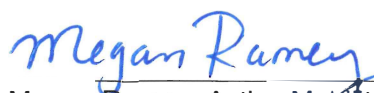


Erick Haynie, Council Member
CITY OF HOOD RIVER



Jon Davies, Partner
COLUMBIA RIVER INSURANCE

cc: Rian Windsheimer, Region Manager
ODOT Region 1
Kris Strickler, Director
Oregon Dept. of Transportation



Megan Ramey, Active Mobility Safety Coordinator
MAY STREET ELEMENTARY