



EQRB to Analyze Cost Saving Measures

June 2021

Frequently Asked Questions:

Why is the EQRB project's work plan changing? The elected leaders at Multnomah County who are responsible for the EQRB project asked the project team to look at ways to bring the project cost down. While the recommended Preferred Alternative was the lowest cost option studied, the County only has about one third of the funds needed to build it. At the same time, the County will explore additional funding sources. Reducing our costs and securing outside funding will make it more certain the new bridge gets built.

Will the new work plan change the project's purpose and need? No. The purpose of the project remains to provide a downtown river crossing on a lifeline route that will be immediately operable after a major earthquake to support emergency response and regional recovery. The bridge is also reaching its 100-year design life and in need of a major upgrade to support our transportation needs for the next century.

How is the project's work plan changing? Until recently, the project team planned to issue a Final Environmental Impact Statement this fall and receive our Record of Decision from the Federal Highway Administration in late 2021. We planned to advertise the design and construction manager/general contractor contracts this summer and award contracts this winter. The new work plan calls for the project team to refine project costs and develop a range of cost saving concepts that do not sacrifice the project's purpose and need. This information will be shared with the public and used by the County to establish a cost cap for the project before a bridge type is selected. Exploring cost refinements now will extend the environmental review phase into 2022 and delay bringing the general contractor on board. But the work will lead to a lower cost estimate and more time to secure the outside funds needed for construction.

Why is project cost an issue now?

- **Project Loan:** In preparation for the design phase, the County planned to get a loan in the 2022 Fiscal Year to fund the project's design phase. While the County has a funding stream to pay off the design loan, we want to reduce construction costs and confirm what revenues we have to fund the total project. It is financially prudent to do more work now before we take out the loan.
- **Regional Transportation Bond Failure:** The failure of the regional transportation bond measure in November 2020 means our project will not receive the \$150 million expected from the measure. With less funding secured, we need time to analyze our costs, look for cost reductions, and identify new funding before we move to design.
- **Federal Funds:** With the new Biden Administration in office, we are working quickly to identify and pursue new federal funding opportunities. Refining and reducing our project cost will make us more competitive to receive funds from an infrastructure bill that Congress could pass in 2021 as well as other state and federal programs.



What is the risk of following the old project schedule? There are local and national examples of projects that completed the environmental review and design phases but were not built due to lack of funding. If we can reduce our project cost and still achieve our project's purpose, we will be more likely to secure funding, build the project, and maintain public and agency support.

What specific steps will be taken?

- **Cost Estimate and Cost Reduction Concepts:** We will explore ways to reduce cost without sacrificing the project's purpose. An example is the shorter movable span concept shared with our Community Task Force on March 1, 2021. It would save \$20 - \$50 million compared to a longer movable span. While the longer movable span provided a different aesthetic and architectural option, it was not required to meet the seismic design criteria or the navigational clearance over the river.
- **Postpone Committee Meetings:** We will postpone meetings of the Community Task Force and Policy Group this summer while the team works on cost refinements. We plan to share the findings of our cost refinements with the committees in fall 2021.

How long will the cost analysis work take? We plan to have more information on the technical analysis findings and costs in fall 2021. This information will then be incorporated into a Supplemental Draft Environmental Impact Statement document and published for public review and comment in early 2022.

Does this change the plan to begin construction in 2024? Yes. We anticipate the additional analysis and time to secure funds will delay construction 6 to 12 months. However, the original construction schedule was always contingent on securing funding. Additional time will help the County reduce project costs and secure outside funds to build the bridge.

Will the timeline for hiring the design consultant change? Yes. The project team will evaluate several project delivery methods so that County leaders can select a method that balances cost with supporting the County's values. We expect the project delivery method will be selected this fall so we can proceed with advertising for a design consultant next year.

How will the new work plan impact the project's public involvement? We will provide more information this year to the public and project committees about project costs, cost reduction options, and risks. The new information will enhance our public involvement work, but it will extend our schedule. Before a final bridge type is selected, we'll share recommendations with the community and gather feedback.

Will the new work plan increase project costs? The new work plan will extend the environmental review phase and increase its cost. But that increased cost will be more than offset by the larger cost-saving concepts the project team will identify and present to County leaders and the public this year.

How will the project be funded? The County is currently funding the project's environmental review phase entirely with revenue from its local Vehicle Registration Fee. This funding source will cover roughly a third (about \$300 million) of the total project cost. We are seeking a variety of sources to close our funding gap for future phases, including federal, state and local sources.



What has been done already to reduce project cost? Fortunately, the Long Span Replacement recommended by the project's Community Task Force, Policy Group, Multnomah County Commissioners and the public as the Preferred Alternative is also the lowest cost of the four alternatives studied in the Draft Environmental Impact Statement.

When will we know the actual project cost? As the project design advances, the cost range will narrow. The final cost will be influenced by design details, bridge type, risk mitigation, and market conditions at the time of construction.

#