



# PORT NEWS

Spring 2018

## Bridge: Next Steps

by Michael McElwee,  
Port Executive Director



Michael McElwee

**That** the Hood River-White Salmon Bridge is aging, critical for our shared Gorge economy, and must be replaced is a view that is widely held. In recent years, contributions

toward bridge replacement have been led by Washington state elected officials and agencies. Now the Port of Hood River is advancing replacement efforts. There is increasing optimism that a new bridge is possible in the next ten years. Communities in the Gorge need to be both informed and collaborative to maximize the chances for success. Following is an update on recent actions, next steps, and ways to get involved:

The 2017 Oregon Legislature allocated \$5 million to the Port to carry out environmental studies and to obtain regulatory approvals for a new bridge. Southwest Washington Regional Transportation Council has been hired to manage the selection process for an engineering firm to carry out this extensive, multi-year permitting process, likely to cost over \$2.5 million. The selected firm will begin work in July.

Kevin Greenwood, a highly experienced public administrator, was hired in January to oversee the project. He will manage contracts, public outreach steps, and administrative tasks in the years ahead. These will include firms with specialized expertise in project financing and delivery methods.

*Please see Next Steps on page 4*



*Kevin Greenwood joined the Port in January as project director for the Bridge Replacement Project. In this interview, he answers questions about the complex process for bridge replacement, pre-construction tasks, projected costs of construction, future tolls, and keeping the existing bridge functional until it can be replaced.*

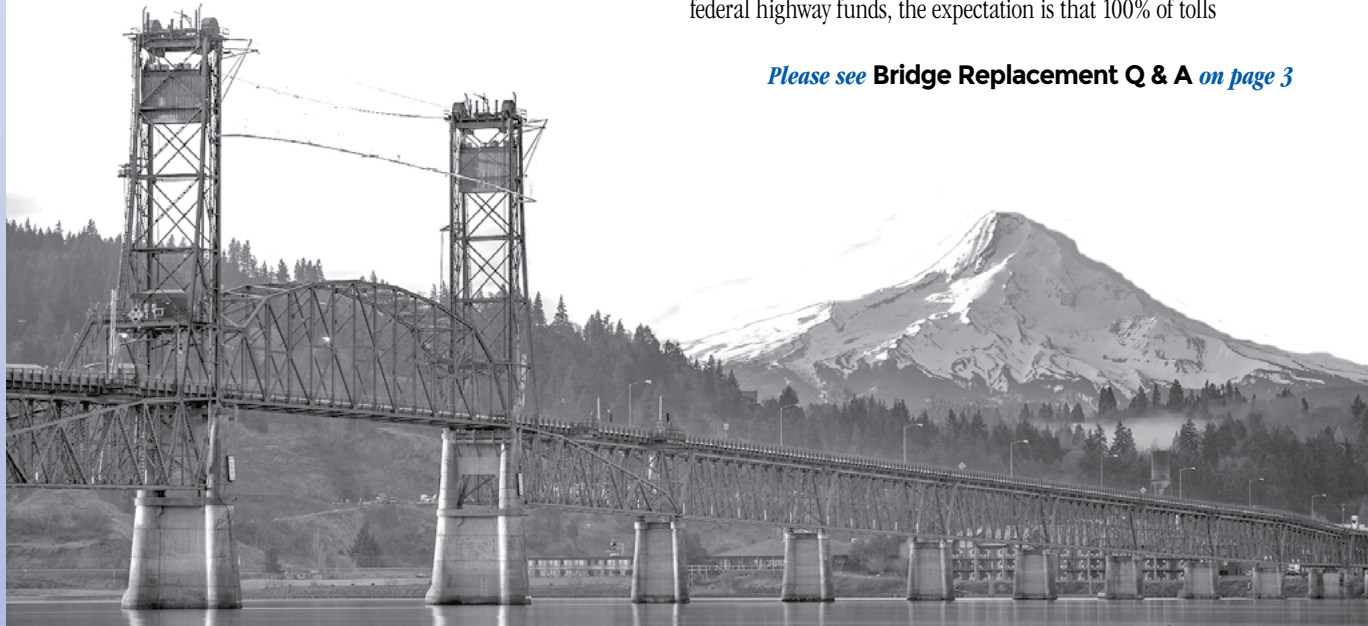
*He refers to a Bridge Replacement Advisory Group (BRAG) comprised of local and regional government officials that is being formed for oversight of the pre-construction phase of bridge replacement. A Technical Advisory Group will also be formed in the near future.*

### **Q: How much will a new bridge cost?**

**A:** According to the Type, Size & Location (TSL) Study completed in 2011, the project's cost estimate range was \$190 to \$250 million. Assuming a 4% inflation rate, the project's updated estimate range would be \$270 to \$290 million if construction were to start in 2020. This includes cost for the roadway approaches, existing bridge removal, storm water collection and treatment system, right-of-way, engineering, and a contingency. The Port plans to obtain an updated planning level cost estimate in mid-2018.

### **Q: Where does toll revenue currently go? How much is used for the bridge and how much is used for other purposes?**

**A:** Approximately 50¢ of the now \$2 cash toll funds economic and community development functions of the Port. The remaining \$1.50 is used to pay for operations, maintenance, repairs to the existing bridge, and for costs related to the future replacement of the bridge.



*"It's too early to tell but the state legislature has given the Port enough time for a thoughtful analysis..."*  
*-Kevin Greenwood*

## Bridge replacement Q&A

### **Q: Has consideration been made for low-income citizens with the recent toll increase?**

**A:** The Port has studied and invested in technical upgrades to offer discount tolls for customers using the electronic tolling system, and has promoted that benefit widely throughout Gorge communities. The BreezeBy program reduces base tolls for passenger vehicles from \$2 to \$1.

### **Q: What is the life expectancy of the existing bridge and costs to keep it usable?**

**A:** There are many things outside of our control that could affect the longevity of the bridge, including a natural or accidental event. Recently, the Port's bridge engineer's analysis of repairs and maintenance necessary to maintain the current bridge over the next 15 years came in at \$51 million. It's important to make investments to keep it safe and operational until a new bridge can be built. As a new bridge becomes more certain, the Port would limit improvements of the existing bridge. As of now, we don't know where, on that 15-year continuum, we could have a new bridge. Hopefully within the next ten years.

### **Q: How long would a new bridge be expected to last?**

**A:** A new bridge could be expected to last at least 75 years. According to the American Society of Civil Engineers, most bridges have a 50-year life cycle, but with appropriate maintenance, a new bridge could last decades longer.

### **Q: Will the Port expect to have any new restrictions tied to toll increases?**

**A:** 100% of the February 1, 2018 toll increase and the full portion of two earlier increases are dedicated to the Bridge Repair and Replacement Fund. For a future bridge, if the project includes federal highway funds, the expectation is that 100% of tolls

*Please see Bridge Replacement Q & A on page 3*





*The South taxiways and ramp have undergone a much needed upgrade by Crestline Construction.*

## Airport Projects

**Numerous** improvement projects are underway at the Ken Jernstedt Airfield. The majority of work on the \$1.5 million South Taxiway Rehabilitation Project occurred late last year, and a short punch-list will complete the job this spring. The project reconfigured the entire south ramp and taxiways in order to conform with Federal Aviation Administration (FAA) requirements. The work includes grading, paving, storm-water installations, and fuel tank relocation. Contractor Crestline Construction is performing the work, with engineering and inspections by Century West Engineering.

An Environmental Assessment (EA) and wetland permit application for the north side of the airport is underway, a significant process involving the FAA and Army Corps of Engineers; on track for summer completion. Site prep work for the proposed Aviation Technology and Emergency Response Center is scheduled to occur this year. This project, funded primarily with a \$1.36 million Connect Oregon VI grant, includes installation of utilities on Jeannette and Air Museum Drive, as well as grading, paving and fuel tank relocation. Bid requests for the site prep work are scheduled to go out this spring once the EA is approved, and the project will begin after selection of a contractor.

Finally, an agreement has been executed with Hood Tech Corp., Aero Inc. for the development of a 45,000 square-foot hangar/flex building near the airport south ramp. Ground-breaking is scheduled for summer 2018.

## Fly Friendly Program Update

A new Fly Friendly Program at the Ken Jernstedt Airfield is the outcome of two airport public meetings held last summer aimed at finding solutions for increased noise at the airport. The voluntary program was developed with input from the Port's Airport Advisory Committee (AAC), pilot community, local aviation businesses, the public, and the Port of Hood River. The goal of the program is to give guidance to local and visiting pilots regarding safety, noise reduction procedures, and neighborly flying. A grievance process when procedures are not followed has also been outlined. Communication pieces to inform about recommended protocols will be available in early spring and will include AWOS messaging, signage on taxiways, and flyers at the FBO. Information and reporting mechanisms are also available at [portofhoodriver.com](http://portofhoodriver.com).



## Lot 1 Real Estate Analysis

Last fall the Port Commission approved a contract with EcoNorthwest to prepare a basic real estate economic analysis evaluating the relative impact of burdening future development of Lot 1 with significant infrastructure costs. The last remaining large parcel on the Hood River waterfront has been studied with community input for highest and best market use for development and constraints of the site. Main goals for development are to target competitive wage jobs, attain high-quality design and construction, complement Hood River's downtown core, seek waterfront-compatible businesses, create a superior pedestrian environment with broad public access, and emphasize environmental sustainability.

## Waterfront Parking Plan Implementation

The Port is moving forward on a plan to more effectively manage parking on Port-owned waterfront properties. The Commission authorized moving ahead with the plan, and the purchase of nine parking pay stations for installation on designated portions of the waterfront. The Port intends to select a firm to manage processing and collection of parking citations. Waterfront parking solutions have been under consideration for several years, encompassing a 2015 parking study by Rick Williams Consulting, Port participation in a 2016 Ad-Hoc committee with the City and waterfront businesses for a collaborative approach, and extensive updated parking data collected in 2017.

## Event Site Construction

A stone embankment was constructed last fall at the Event Site and beach restoration followed, including the installation of approximately 300 yards of gravel. Former Port Commissioner Jon Davies took special interest in seeing this project completed.



*Restoration of the gravel beach at the Event Site took place over the winter in an effort to reduce annual erosion.*



*Parking at the waterfront has become increasingly congested, leading the Port to explore possible solutions.*

## New Odell Tenant

**Chief Consulting Group, LLC** leased 2,500 square-feet of space in the Port's Timber Incubator Building in Odell. The hemp processing and distribution start-up is considered an agriculture product processor and falls under USDA regulations. Hemp is a non-psychoactive plant in the cannabis family.

## Like Us on Facebook

The Port invites constituents to "like" the Port's Facebook page and check for useful information, updates and anecdotes: [facebook.com/PortofHoodRiver/](http://facebook.com/PortofHoodRiver/)



## Visit Us Online

Visit our website for additional information on Port activities and subscribe to our online E-news: [portofhoodriver.com](http://portofhoodriver.com)

## PUBLIC MEETING

**Regarding Noise at the Ken Jernstedt Airfield**

**THURSDAY, APRIL 12**

beginning at 6 pm at WAAAM

*\*This meeting was originally planned to occur in March, but in order to avoid OR and WA spring break dates, it has been postponed to April 12.*

Contact Anne Medenbach for questions via email to [amedenbach@portofhoodriver.com](mailto:amedenbach@portofhoodriver.com) or (541)386-5116.





**Bridge Replacement Q&A** *continued from page 1*

would be dedicated to a new bridge. At this point, we haven't determined where the funding will come from. For instance, if we end up going the P3 (public-private-partnership) route, a private party would need to be able to make a reasonable return on their investment, that is allowed for in tolling laws.

**Q: Besides toll revenue, what other sources of funding could be used for the construction of a new bridge?**

**A:** We could use federal and state grants or appropriations. There are federal and state loan programs, and there is also private equity. Those are the most likely options, but as part of this process, the Port will be evaluating a very broad range of financing options.

**Q: When will a new bridge be built?**

**A:** That's yet to be determined. Significant planning has been completed. Funding for a federal environmental review required by the National Environmental Protection Act (NEPA) was received by the Port from the Oregon State Legislature in 2017 as part of the state's transportation funding package. With the start of 2018, the Port is finalizing the NEPA clearance and permitting and identifying the best financing method that will protect the public's interest. The Port has identified this pre-construction phase to take two to five years. So, assuming we've done our job well, we could be ready to go out for construction anywhere between four to nine years.

**Q: What pre-construction activities have to happen before construction of a new bridge can begin?**

**A:** Simply put, permits and money. We need to get the environmental clearances and a wide range of other permits required to move forward. The estimate is two to four years to get those lined up. Financing is obviously another important element. We will need traffic and tolling studies so that we understand, long term, what revenue can be expected to be generated from tolls at different rates to pay back debts.

**Q: Each activity will have a cost attached. Does the Port already have a good idea of those costs?**

**A:** I have a pretty detailed budget. I think the environmental clearances are going to be right around \$3 million. I'm in the process right now of developing a request for proposals from highly-experienced engineering, architectural and planning firms to conduct those studies. There will be a committee of local government representatives from Washington, Oregon, ODOT, WSDOT, and the Port reviewing and scoring the top proposals and conducting interviews. This will occur through spring, so come July we should have a recommendation for the Port Commission.

**Q: What sorts of permits and studies are needed for this work?**

**A:** We have a draft Environmental Impact Statement (DEIS) that was completed by the Southwest Washington Regional Transportation Commission (SWRTC) a few years ago. One question that agency folks are considering now is whether a final Environmental Impact Statement (EIS) is necessary. Any kind of federal funding would require an EIS for eligibility. The environmental impact studies will determine if an environmental assessment or a final EIS is required. It's too early to tell but the state legislature has given the Port enough wiggle room to take time for a thoughtful analysis and, as we move forward, we'll get more specific as to which studies and plans will be required.

**Q: Will a new bridge be built in the same location, or will a slightly different route be planned so the existing bridge can be used during construction?**

**A:** The chosen engineering firm will be required to communicate how a new bridge would be constructed while the public continues to use the existing bridge. It is remarkable how creative the phasing plans are that these leading engineering firms come up with. The Type, Size & Location (TSL) Study conducted in 2011 identified the preferred alternative is located just west of the current bridge but east of the in-lieu fishing site located on the Washington shore.

**Q: How much will tolls be on a new bridge?**

**A:** The Port's intention has always been to keep tolls as low as possible. The Port plans to complete traffic modeling by late 2019, which will be a key component in projecting the number of toll trips for the near and far future. In the next few months, the Port will obtain more up-to-date planning level cost estimates. Grants, federal and state loans, and public financing will be identified and reviewed with an analysis that takes tolling into consideration. Until this highly technical work is completed with the assistance of a Bridge Replacement Advisory Group, it is unknown what the tolling model will look like. In any likely scenario, tolls will continue to be the main revenue source.

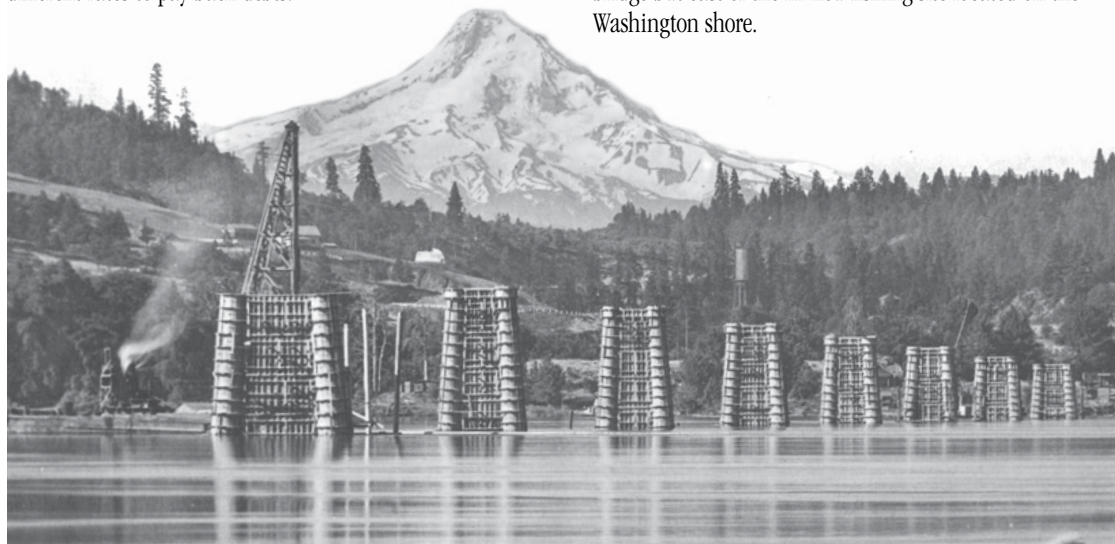
**Q: Who would the project partners be?**

**A:** The project partners would be all the local municipalities, each with various roles and responsibilities. The City of Hood River, Hood River County, the City of White Salmon, the City of Bingen, and Klickitat County will all certainly be involved, as well as tribal governments and other Gorge communities. This project will have impacts throughout the Gorge and the Port Commission has taken a stance of being open to collaboration, inviting the involvement of others. Federal agencies such as the Army Corps of Engineers, Coast Guard, and National Marine Fisheries will be involved, as well as tribal stakeholders, barge and boat operators, river users. It's a very extensive list.

**Q: What are advantages and disadvantages for a publicly funded bridge vs. a P3 bridge?**

**A:** A big consideration is the speed of the project. I think that if the Port were to determine it would go for private funding via a P3, it could in some ways be simpler because you wouldn't be investing time pursuing federal grants, which have long timelines and are highly competitive. Disadvantages of a P3 could be control over how the tolls are set, and for how long tolls would be around. If 99-year bonds are used, you'll have to keep tolls going just to cover construction for a lot longer. Most local governments can't do financing past 40 years. But private equity can go all the way to 100 years. We already have a funding mechanism with the recent dollar increase on tolls, which can be redirected into funding any bonds required for the new bridge. Another issue on the private side is controlling toll increases. The question comes back to what the community's tolerance is for giving up public involvement in bridge management, including tolls. Obviously, receiving major grants could result in lower tolls. Although, depending on how Davis-Bacon Act prevailing wage rules are applied, costs could be higher for a publicly funded project than a P3 project. The amount of risk in a project can also increase the costs. ●

*The bridge was built nearly 100 years ago (1923) and has outlived its useful life. Replacing the structure without causing major regional transportation disruption for years is just one concern. As the process of bridge replacement moves forward, the aging structure becomes more expensive to maintain and the cost of replacement will likely continue to rise. Photo courtesy of the History Museum of Hood River County.*



**Next Steps** *continued from page 1*

The 2017 Oregon legislature also passed a bill that specifically allows Public Private Partnerships (“P3”) to be considered for bridge replacement. A P3 would allow a private party to build a new bridge in return for long-term control of toll revenue. One of many options, a P3 may not be appropriate here but must be considered. A P3 work session was held in January to help inform local officials. As required by the Oregon Legislature, the Port is developing rules for how P3 proposals would be evaluated. These will be adopted by May.

A Bridge Replacement Advisory Group (BRAG) composed of elected officials from both states is now being organized to monitor project efforts, provide ongoing feedback, and act as a conduit for public information and dialogue. Their monthly meetings will begin in May and last for the duration of the project. All BRAG meetings will be open to the public.

Future Port decisions – including bridge ownership, toll setting authority, and financing responsibilities – will have a profound impact on our region for decades. The Port Commission meets twice each month. Progress reports on replacement efforts are presented at each meeting and public testimony is welcome.

A new webpage and blog for updates and archiving of policy documents is available on the Port’s website at: [portofhoodriver.com/bridge/](http://portofhoodriver.com/bridge/). Port staff are also available to answer questions, meet with community groups, and explain this complex project to anyone who is interested. Kevin Greenwood can be reached at [kgreenwood@portofhoodriver.com](mailto:kgreenwood@portofhoodriver.com) or (541) 436-0797. ●

<p><b>PORT MEETINGS</b></p> <p>Regular Port Commission meetings are held on the <b>1st and 3rd Tuesday</b> of each month in its <b>Boardroom at Marina Center Building</b> (1000 E. Port Marina Drive). The Port welcomes your questions, comments and suggestions.</p>	<p><b>PORT DIRECTORY</b></p> <p><b>Commissioners</b>                  Hoby Streich    Brian Shortt                  Jon Everitt    Ben Sheppard    David Meriwether</p> <p><b>Executive Director</b> - Michael McElwee</p> <p><b>Contact</b>                  Telephone..... (541) 386-1645                  Email..... <a href="mailto:porthr@gorge.net">porthr@gorge.net</a>  <a href="http://www.portofhoodriver.com">www.portofhoodriver.com</a>                  Newsletter Production - Pageworks Design, Inc.</p>
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**BreezeBy now saves autos \$1 per crossing**

**Close** to 2,700 new BreezeBy accounts have been opened since January 1 in response to the February 1 toll increase. The majority of new accounts were set up online using the new customer account management web portal. The electronic tolling system now saves passenger cars and trucks \$1 per crossing on the Hood River-White Salmon Interstate Bridge.

The Port of Hood River Commission voted to increase tolls in early December, citing the need to plan for up to \$51 million in repairs and capital upgrades to the existing bridge over the next fifteen years while at the same time completing required pre-development steps that precede construction of a replacement bridge. 100% of the new toll revenues are dedicated to the Port’s Bridge Repair & Replacement Fund.

Base toll rates for passenger vehicles have doubled for cash-paying customers, going from \$1 to \$2 per crossing. Existing BreezeBy users have had a more modest increase, with per crossing rates going from 80¢ to \$1 for two-axle vehicles. Toll rates depend on vehicle class with commercial trucks, RVs, and trailers paying \$3 per axle for cash, \$2 per axle on BreezeBy.

The Port’s new online BreezeBy account management system enables customers to open accounts online and receive transponders in the mail, avoiding the need to visit Port offices during business hours. There are no fees to open an account, and each household receives one transponder for free. After that, each additional transponder is \$5. Customers can expect to receive new transponders in the mail within 3-5 business days.

Information and registration is available at [portofhoodriver.com](http://portofhoodriver.com). For more information, contact the Port via email at [porthr@gorge.net](mailto:porthr@gorge.net) or visit the Port office at 1000 E. Port Marina Drive in Hood River. Spanish language customer services are available. ●

Vehicle Class	CASH Toll	BREEZEBY Toll
Class 0 – Motorcycles	\$1.00	<b>\$0.75</b>
Class 1 – Passenger Cars & Pickups	\$2.00	<b>\$1.00</b>
Class 2+ - Large trucks, RVs, Trailers, Busses – PER AXLE	\$3.00	<b>\$2.00</b>

