

ATTACHMENT A
COLUMBIA RIVER CROSSING
SUPPLEMENT TO THE
2001 WASHINGTON STEWARDSHIP AGREEMENT

July XX, 2006

I. Purpose

This supplemental agreement to the 2001 Washington Federal-Aid Stewardship Agreement defines the relationship between the Federal Highway Administration (FHWA), Federal Transit Administration (FTA), Oregon Department of Transportation (ODOT), and Washington State Department of Transportation (WSDOT) in regard to stewardship of the Columbia River Crossing (CRC) project. This supplemental agreement is intended to be a living document and will be amended when FHWA, FTA, ODOT, and WSDOT feel that a revision is appropriate.

A. Scope of the Agreement

Development of proposed improvements will be through the National Environmental Policy Act (NEPA) Environmental Impact Statement (EIS) process. The anticipated size of the endeavor qualifies the CRC project for Major Project status under USDOT guidelines and will be developed accordingly.

The 2001 Washington Federal-Aid Stewardship Agreement and this supplemental agreement define FHWA and FTA oversight responsibility for the CRC project through completion of a Record of Decision (ROD), design, and construction. Amendments to this supplemental agreement will be made as needed to address changes or additions identified in subsequent scope revisions to reflect final design and construction.

B. Overview for Reviews and Approvals

Development of the CRC project multi-modal elements is being conducted and administered within a co-located office that includes representatives from ODOT, WSDOT, RTC, Metro, TriMet, C-Tran, and the cities of Vancouver and Portland. All work products for the CRC project are being developed within this co-located office.

The CRC project has prepared a Project Management Plan (PMP) that incorporates a process for review and approval of all project deliverables. The PMP does not amend or supplement the 2001 Washington Federal-Aid Stewardship Agreement or this supplement agreement. Rather, the plan provides a process for development of each project deliverable, internal multi-agency review, and quality controls prior to sending the deliverable for outside review. Ultimately, appropriate documents will require FHWA or FTA review and approval as provided for in this supplemental agreement.

The PMP is a living document and will be updated throughout the life of the project. A copy of the PMP will be provided to FHWA and FTA for review and comment.

FHWA and FTA will monitor the project development process through participation in technical and policy related meetings. Documents for projects requiring FHWA review and approval may be submitted directly from the CRC or through the ODOT and WSDOT (HQ) Design Office. Documents requiring FTA approval will be submitted directly from CRC to FTA's Region X office.

II. General Provisions

A. Project Approval and Oversight

1. Project Oversight

In accordance with the 2001 Washington Federal-Aid Stewardship Agreement, the CRC project falls under the requirements listed under the section "National Highway System (NHS) Interstate New/Reconstruction," and as such will be administered under full oversight as presently provided by FHWA. FHWA and FTA will exercise oversight responsibilities as per the 2001 Washington Federal-Aid Stewardship Agreement (attached) and as modified herein,

2. Standards

ODOT and WSDOT design and construction standards for the Interstate are different. FTA and the local transit agencies have design and construction standards. The CRC will develop design criteria to be reviewed and approved by FHWA and FTA.

B. Applicable Laws, Regulations, and Directives

With the passage of recent legislation, including the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), FHWA and FTA will continue to develop guidance on future stewardship/oversight agreements. This supplemental agreement will be modified as needed to address new guidance.

C. Monitoring

ODOT, WSDOT, and the FHWA division offices will monitor activities and exercise controls for their respective states. TriMet, C-Tran, and FTA will monitor activities and exercise controls for transit elements and highway-related elements impacting transit as described herein.

III. Specific Provisions

A. Finance and Accounting

In addition to the Finance and Accounting described in the 2001 Washington Federal-Aid Stewardship Agreement, this section is supplemented with the following:

In accordance with federal requirements as modified in SAFETEA-LU, each recipient of federal financial assistance for a project with an estimated total cost of \$500 million or more is classified as a Major Project and requires a Financial Plan. The CRC project qualifies as a Major Project. The Financial Plan must demonstrate the commitment of the project co-sponsors to sound financial planning and the resources needed to complete the project.

Development of the Financial Plan will be initiated at the onset of the project as a tool to help shape implementation strategies, culminating in a final Financial Plan for FHWA and FTA approval. FHWA guidance recommends that the time frame for submission of the Initial Financial Plan should be after the ROD is issued, but before authorization of federal funding for the project construction. FTA, under the New Starts process, requires that the Financial Plan be evaluated as part of its decision to approve advancement of the project into preliminary engineering which could occur when the Draft Environmental Impact Statement (DEIS) is published.

FHWA and FTA use different guidelines to develop their required Financial Plans. *FHWA Financial Plan Guidance* was issued on May 23, 2000. FTA developed a *Guidance for Transit Financial Plans*, dated June 2000. The intent of the FHWA Financial Plan review is to evaluate such items as the reasonableness of the cost projections, the viability of the identified funding sources, and the likelihood that the funding commitments will provide sufficient resources to complete the project as planned. For FTA, Section 3(a)(2)(a) of the Federal Transit Act states that “No grant or loan shall be provided under this section unless the Secretary determines that the applicant has or will have the legal, financial, and technical capacity to carry out the proposed project.” Consequently, FTA has specific responsibilities to assure careful financial planning by the agency that receives FTA funds.

Because the CRC project is a joint FHWA and FTA project, guidelines require a one-financial reporting process to be in line with the One-DOT requirements under TEA-21. Therefore, this Coordination Plan provides an outline how the two processes can be merged. For the CRC project, it is conceivable that the transit and highway elements could enter into separate development processes depending on funding availability. Therefore, the combined Financial Plan will use a common introduction with separate sections for the highway and transit elements.

Following are the basic requirements of a combined plan:

1. BACKGROUND
 - 1.1 Description of the project
 - 1.2 Vicinity map and graphical representation of the work area
 - 1.3 Detail of the project history
 - 1.4 Description of project sponsors
2. PROJECT SCHEDULE
 - 2.1 Description of approach to development of implementation plans for transit and highways
 - 2.2 Description of process (if applicable) for splitting the Financial Plan for transit and highways
3. SUMMARY OF COMBINED FINANCIAL PLAN
4. TRANSIT ELEMENTS
 - 4.1 Introduction
 - 4.1.1 Description of the transit sponsor and funding partners
 - 4.1.2 Description of the transit elements
 - 4.1.3 Summary of the transit Financial Plan
 - 4.2 Capital Plan

- 4.2.1 Proposed project capital plan
- 4.2.2 Agency-wide capital plan
- 4.3 Operating Plan
 - 4.3.1 Operating revenues
 - 4.3.2 Operating and maintenance costs
 - 4.3.3 Agency-wide operating plan
- 4.4 Cash Flow Analysis
 - 4.4.1 Twenty-year cash flow projection
 - 4.4.2 Financial evaluation
- 5. HIGHWAY ELEMENTS
 - 5.1 Cost Estimate
 - 5.2 Implementation Plan
 - 5.3 Construction Financing and Revenues
 - 5.4 Cash Flow
 - 5.5 Other Factors

APPENDICES

- A. Summary of Regional Economic Forecasts
- B. Summary of Financial Condition of Project Sponsors
- C. Summary of Bus and Rail Fleet Management Plans

The requirements as outlined below describe FTA and FHWA review and approval actions for specific work elements in the combined Financial Plan.

FHWA Review and Approval	FTA Review and Approval
	Summary of agency’s 20-year cash flow projection (funding sources, revenue forecasts, other planned project costs, annual O&M expenses, etc.) for transit elements
Cash Flow Analysis for highway elements	Cash Flow Analysis for transit elements
	Agency financial capacity assessment. audited financial statements, rail and bus fleet management plans, etc., for the transit elements
Letter of certification from ODOT and/or WSDOT	
Finance Plan based on “likelihood” of realizing non-federal funding sources. Generally, non-federal sources not acceptable if legislative action is required. Discuss risks of non-federal sources. Attach agreements, commitments, etc.	Non-federal funding sources must be formally approved and programmed prior to FTA approval of the FFGA (must attach legislation, signed local agreements, MPO commitments, bonding prospectus and authorization to issue debt, etc.)
Cost estimate in year-of-expenditure	Cost estimate in year-of-expenditure or mid-point of construction
Project contingency implied in attachments	Project contingency line item required

FHWA Review and Approval	FTA Review and Approval
Cost containment strategies (VE, Upset limits, etc.)	
EIS document required to help identify commitments in the FFGA	EIS available, but references to commitments do not need to be included
Annual updates to Financial Plan	

B. Planning and Programming

In addition to the Planning and Programming described in the 2001 Washington Federal-Aid Stewardship Agreement, this section is supplemented with the following: **(Add FTA requirements)**

C. Environment

FHWA and FTA have agreed to be co-lead federal agencies for purposes of the environmental process. Although the source of authority for the environmental process is shared by FHWA and FTA, the law is applied through the unique procedural and substantive requirements of each agency.

The 2001 Washington Federal-Aid Stewardship Agreement provides the general provisions for Environmental Clearances. This supplement further defines the FHWA/FTA actions listed in the following matrix with respect to specific environmental components.

**Environmental Process
Summary of Agency Actions**

Work Activity	Approval	Comment
Notice of Intent	FHWA and FTA	NOI Published in FR 9/27/05
Purpose and Need	FHWA and FTA	
Methods and Data Reports, Existing Conditions Reports, and Technical Reports for: <ul style="list-style-type: none"> • Air Quality • Archaeology • Aviation • Acquisitions and Displacements • Economics • Ecosystems • EMF • Energy • Environmental Justice 	FHWA and FTA	Note: Development of the Methods and Data Reports will be in accordance with the Interstate Collaborative Environmental Process Agreement that includes Federal and State review by resource experts prior to submittal to FHWA or FTA for final review and approval.

Work Activity	Approval	Comment
<ul style="list-style-type: none"> • Geology • Hazardous Materials • Historic Resources • Land Use (see below) • Navigable Waterways • Neighborhoods • Noise and Vib. • Parklands • Public Services • Traffic • Utilities • Non-vehicular Transportation • Visual Qual & Aesth • Water Quality • Wetlands • Construction Impacts • Cumulative and Indirect • Transit 		
ESA Biological Assessment	FHWA and FTA	Review of incidental take statement/terms and conditions/draft biological opinion
Section 4(f) & 6(f) evaluation	FHWA and FTA	Changes in 4(f) identified prior to DEIS FTA will defer to FHWA for process
Section 106 MOA	FHWA and FTA	FTA will defer to FHWA for process
Consultation with affected Indian tribes	FHWA and FTA	FTA will defer to FHWA for process
Draft EIS	FHWA and FTA	
Final EIS	FHWA and FTA	
Record of Decision	FHWA and FTA	

D. Right-of-Way

The 2001 Washington Federal-Aid Stewardship Agreement provides the general provisions for Right-of-Way. This supplement further defines the FHWA/FTA actions relating to Right-of-Way.

FHWA will exercise oversight responsibilities for right-of-way requirements for I-5 related improvements. Specific action items for this project requiring FHWA Division Office approval are listed below. The ODOT and WSDOT Right-of-Way Manuals specify the manner in which the States will apply the right-of-way related requirements of Title 23 and Title 49 to this project in accordance with state law.

FTA will exercise oversight responsibilities for right-of-way requirements for transit related improvements that do not abut the existing/proposed I-5 right-of-way. (Add statement governing FTA guidelines.)

Work Activity	Approval	Comment
R/W Funds Authorization and Modification	FHWA and FTA	
Advanced Acquisition per 23 CFR 771.117	FHWA and FTA	
R/W Certification	FHWA and FTA	
(Add other FTA requirements?)		

E. Design

The 2001 Washington Federal-Aid Stewardship Agreement provides the general provisions for Design. This supplement further defines FHWA/FTA actions related to design.

1. Highway Development and Design

FHWA will review and approve design criteria, design standards, and exceptions to design standards as listed below. FTA will review and approve transit related criteria.

Project development and design documentation will be in accordance with each respective State’s policies and procedures, and the FHWA Division Office in each state will be responsible for review and approval of work elements under their jurisdiction.

For activities involving FHWA Resource Center and/or FHWA HQ the FHWA Division Office for each state will coordinate with these offices, as appropriate, to expedite project reviews and approvals.

Work Activity	Approval	Comment
Preliminary Engineering Fund Authorization and Modifications	FHWA and FTA	FTA has an independent process for authorizing eligibility for entering Preliminary Engineering
Draft and final design criteria	FHWA and FTA	FHWA and FTA approvals will approve design criteria within their area of interest
Draft and final engineering screening technical memorandum	FHWA and FTA	
Design Approval	FHWA and FTA	

Work Activity	Approval	Comment
Experimental Features	FHWA and FTA	
Interchange Justification Report	FHWA	
Interstate System Access Change	FHWA	
Structures requiring TS&L's	FHWA	
Draft Design Variance Inventory (completed beyond 30% design)	FHWA	
Draft Design Decision Summary (completed beyond 30% design)	FHWA	
Design file comments and revisions		Action by FHWA and FTA will be for comments and revisions
Buy America Waivers	FHWA and FTA	
SEP-14 Application	FHWA and FTA	
Draft and final conceptual cost estimate memorandum		Action by FHWA and FTA will be for comments and revisions
PS&E Approval	FHWA	For Design-Build contracts approval of the RFP constitutes PS&E approval and the RFP must be approved prior to advertisement
State Furnished Material Cost-Effective Determination	FHWA	
Proprietary Items w/public Interest Funding	FHWA	
Concurrence in Award	FHWA	
Tied Bids	FHWA	
Warranties	FHWA	
State Forces Work	FHWA	

Work Activity	Approval	Comment
Limited Access Plans	FHWA	
Complex Structure Type Approval	FHWA	
Materials Quality Assurance Program	FHWA	
DBE Goals/Plan	FHWA	
EEO/OJT Goals	FHWA	
Change in Lane use or Operation	FHWA	

2. Transit Project Development and Design

The purpose of this task is to advance the CRC project multi-modal transit alternatives through the NEPA process through selection of the Locally Preferred Alternative (LPA) and completion of the Record of Decision (ROD).

Transit work elements will be developed through FTA's New Starts process. The project will continue to use the New Starts process as long as it meets Section 5309(e) criteria as determined by FTA. This initial coordination plan covers key work activities as identified under FTA's New Starts Phase 1 Alternatives Analysis. FTA will monitor the design process through participation in technical and policy related meetings and direct interaction with the Project Management Team.

Work Activity	Approval	Comment
New Starts package	FTA	
Scope of Work	FTA	FHWA review and comment
Problem statement, goals, and objectives	FTA	FHWA review and comment
Definition of alternatives	FTA	FHWA review and comment
Documentation of study assumptions, results, and methodologies	FTA	FHWA review and comment
Selection of New Starts baseline alternative	FTA	

LPA from AA adopted in region's financially constrained long range plan	FTA	
Demonstration of technical capability to undertake preliminary engineering	FTA	
Annual New Starts Report (in August)	FTA	

F. Construction and Maintenance

The 2001 Washington Federal-Aid Stewardship Agreement provides the general provisions for Construction and Maintenance. This supplement further defines FHWA/FTA actions related to Construction and Maintenance.

It is anticipated the CRC project will be funded as multiple separate contracts. FHWA will conduct quarterly inspections of each contracted project during construction, including a final inspection upon completion of a contract. In-depth inspections may also be conducted during the projects. In-depth inspections may be done in cooperation with ODOT, WSDOT, FHWA Resource Center, or FHWA HQ staff. Inspections will be supplemented with informal site visits and contacts with project personnel.

Work Activity	Approvals	Comment
Construction Funds Authorization and Modifications	FHWA and FTA	
Changes/Extra Work/Claims/Eligibility	ODOT/WSDOT/FTA	Per the 2001 Washington Federal-Aid Stewardship Agreement, prior FHWA approval is required for major changes and claims that exceed \$200,000 in value.
Project Inspections	FHWA and FTA	
Final Inspection	FHWA and FTA	
Final Acceptance	FHWA and FTA	
QI&A	FHWA and FTA	

Changes to the Supplemental Agreement

From time to time, issues will arise that require additions or changes to this supplemental agreement. This agreement may be modified through attached amendments that may consist of signed letters of deferrals or other documentation between FHWA and FTA.

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