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September 8, 2011

Mr. Tom Hughes Metro Council President 600 NE Grand Avenue Portland, OR 97232

Dear President Hughes:

L-003-001

In recent weeks, the Columbia River Crossing has been working with Metro staff to address questions regarding mitigation identified in the Final Environmental Impact Statement (FEIS) document and commitments for work activities going forward. Attached is a document that summarizes some of the questions that have been raised, and how we have worked to resolve some of those questions with Metro staff. We are pleased with the coordinated progress we have made.

In the attachment, there are references to "we" and "the project" that are intended to refer to the Columbia River Crossing project, a joint project of the Oregon Department of Transportation and Washington State Department of Transportation. The project team is committed to the actions described in the attachment, and in the FEIS document that is soon to be published by our federal partners.

At your suggestion we have made the following modifications or amendments to the written materials included in the Metro Council's September 6, 2011, Work Session Packet.

- Page 4 Multi-year construction contracts will include a stipulation requiring that
 construction equipment and methodology utilize the best available practices, through
 the life of the project as they become available, to minimize environmental impacts.
- Page 4 Provided a more clear description of short term vs. long term mitigation for air quality.
- Page 6-7 Community Enhancement Fund Added the draft scope of work to this section; and deleted the first paragraph previously attached as part of the scope.

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This letter, written by the Columbia River Crossing project, was submitted as public comment by several individuals. The project will continue to coordinate closely with Metro staff and Councilors on these and other issues.

Thank you for the opportunity to discuss the CRC project with you in the Metro Council Work Session. The open and collaborative discussion will help lead to a better project that will benefit the entire region. We sincerely appreciate your efforts to ensure this project moves forward in a way that is considerate and inclusive of Metro, and the interests of the community. We look forward to our work with you as the project proceeds toward construction. As always, we thank you for your support.

Sincerely,

Nancy Boyd Director Kris Strickler Deputy Director

Cc: Metro Councilors

Enclosure

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FEIS and post EIS Metro Questions and CRC Responses resulting from August 11, 2011 Metro Council Meeting And September 6, 2011 Metro Council Work Session

Hayden Island Long and Short Term Mitigation in FEIS

L-003-001

The FEIS includes various mitigation measures or offsets that are specific to Hayden Island for long term and short term impacts from the project. Short-term mitigation measures are for impacts identified during construction, while long term mitigation measures constitute post construction commitments or concepts. Below is a list of the mitigation measures and where they can be found in the July 2011 version of the Draft FEIS.

- 1. Long Term Mitigation (or offsets) for Hayden Island:
 - a. Displacements (page 3-91):
 - (All) Purchase property for fair market value as determined through an appraisal and in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended..
 - b. Visual (page 3-250):
 - · Planting vegetation, street trees, and landscaping for screening or visual quality,
 - · Shielding station and facility lighting from nearby residences and the night sky,
 - · Minimizing structural bulk, such as for ramps and columns,
 - Designing architectural features to blend with the surrounding community context,
 - · Use of public art for transit,
 - Utilization of the UDAG Design Guidelines
 - c. Safety (pages 3-64 and 3-250):
 - Transit station will be designed with Crime Prevention Through Environmental Design and will be monitored with police, private security patrols, and security cameras.

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- 2. Short Term (Construction Period) Mitigation for Hayden Island:
 - a. Air quality (pages 3-262 3-263):
 - Controlling dust and exhaust emissions from demolition and construction activities,
 - Contractors are required to comply with ODOT standard specifications (Section 290) for dust, diesel vehicles, and burning activities described above,
 - · Follow ODOT's specifications for truck staging areas for diesel-powered vehicles,
 - Diesel construction vehicles and equipment will use ultra low sulfur diesel or will
 otherwise comply with any new, more stringent regulations in place at the time of
 construction,
 - The project will continue to pursue emerging technologies for cleaner construction emissions, like the use of diesel scrubbers for compatible equipment, and continue to encourage and require those types of technologies as bidding laws allow.
 - Stationary sources, such as concrete mix and asphalt plants, are generally required to obtain an Air Contaminant Discharge Permit from either DEQ or SWCAA and to comply with regulations for controlling dust and other pollutant emissions.
 - Construction materials and activities would be managed to minimize dust, glare and smoke.
 - b. Noise and vibration (pages 3-295- 3-296):
 - · Comply with ODOT standard specifications relating to noise, including:
 - o Limitation of hours and days on which construction is performed,
 - o Equipment using sound-control devices,
 - Equipment comply with EPA noise standards,
 - o Establishment of a complaint hotline,
 - Use broadband back-up alarms, or restrict the use of back-up beepers during evening and nighttime hours, and use spotters,
 - Contractor will perform vibration monitoring of all activities that might produce vibration levels,
 - o Strategic placement of material stockpiles,
 - o If specific noise complaints are received, contractor may be required to:
 - Locate stationary construction equipment as far from nearby noisesensitive properties as feasible.
 - · Shut off idling equipment.
 - Reschedule construction operations to avoid periods of noise annoyance identified in the complaint.
 - Notify nearby residents whenever extremely noisy work will be occurring.

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- Install temporary or portable acoustic barriers around stationary construction noise sources.
- Operate electrically powered equipment using line voltage power rather than generators.
- c. Commercial impacts (pages 3-65 and 3-115 3-116):
 - · Scheduling construction activities to minimize conflicts during peak travel,
 - Contractor required to obtain approval of traffic control plans,
 - Maintain a program of coordination with and outreach to affected business and community interests to oversee the development and implementation of a transportation management plan,
 - Establish a telephone complaint and information system to be staffed around the clock by personnel with authority to require the contractor to initiate immediate corrective action,
 - Limit or concentrate work areas to minimize disruptions,
 - · Identify, provide and/or advertise temporary parking locations,
 - Relocate affected loading zones, property accesses, bus stops, and other specially designated parking and access points before construction.
 - · Keeping businesses open and accessible
 - · Signs to identify the location of access points to businesses
 - · Business planning assistance
 - Contractors coordinate schedule, pace and order of construction to minimize impact to nearby businesses
 - · Where possible, provide for local contracting opportunities
- d. Traffic and transportation (pages 3-157 3-158):
 - Maintain the existing bus service that regularly connects Hayden Island with nearby grocery and other retail services. This may include additional routing on the island to provide greater transit access during construction.
 - Maintain paratransit and a shuttle service for qualifying, mobility impaired Hayden Island residents
 - Provide effective detours that minimize out-of-direction travel and delays for travelers, and minimize cut-through traffic.

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CRC Responses to specific FEIS issues

L-003-001

1. Replacement of Safeway grocery store

The displacement of Safeway is documented in the FEIS. Mitigation for this impact is governed by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. The project will suggest that Safeway relocate on Hayden Island, but cannot require them to relocate in any specific location. The eventual relocation will be a business decision by Safeway.

We have been informed that there will be a Target grocery store and pharmacy as part of the redevelopment plan for the Jantzen Beach Super Center. We understand that officials representing the Super Center initiated a site plan review with the City of Portland for a relocation and expansion of the Target store. Plans submitted to the City of Portland's Bureau of Development Review indicate that the store could include a grocery and a pharmacy. The plans show, for the Super Center as a whole, a space for a pharmacy, and at least one space for a grocer. We will continue to track this as redevelopment occurs.

- 2. Mitigating construction impacts such as dust, air pollution, vibration and air quality monitoring on Hayden Island
 - a. See Hayden Island Short and Long Term mitigation section above.
 - Multi-year construction contracts will include a stipulation requiring that construction
 equipment and methodology utilize the best available practices, through the life of the
 project as they become available, to minimize environmental impacts.
 - c. Air quality monitoring:

We understand there is a desire for air quality monitoring on Hayden Island during construction and long term. With the LPA, air quality is predicted to be better than in the nobuild condition due to project improvements and fleet changes, therefore the project is not providing additional long term mitigation for air quality impacts beyond the elements of the project itself that will produce a reduction of vehicle emissions through the use of alternative modes and less congestion and bridge lift related idling (short term mitigation is discussed previously). In addition, air quality monitoring is not considered a form of mitigation, because the toxin source cannot be identified accurately. For some types of air toxics, such as diesel particulates, no direct measurement methods exist.

Finally, monitoring of Mobile Source Air Toxics (MSAT's) within a project corridor would yield data results that would be inconclusive in terms of health risk since short term and long term exposure limits or concentration levels have not yet been identified by the EPA. Issues that affect the accuracy of the health risks were also discussed in the air quality report for the CRC.

3. Early construction of the local bridge as a mitigation measure during the construction period

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The possibility of early construction of the local multimodal bridge will continue to be a consideration by the project as project sequencing is refined. It is also discussed in Chapter 2 of the Draft FEIS, (Section 2.3.1), but not as mitigation. Although it is not appropriate to describe the early construction as mitigation, it is discussed as something we will explore as we further refine construction staging. Specifically it reads:

Similarly, the Marine Drive interchange construction would need to be coordinated with construction of the southbound lanes coming from Vancouver, While this interchange can be constructed independently from the work described above, the completion and utilization of the ramp system between Hayden Island and Marine Drive requires the work to occur in the same period. Early construction of the local multimodal bridge between Marine Drive and Hayden Island, so that it can be used as an alternate access route during the remaining construction period, will be analyzed during final design. The interchange reconstruction also needs to occur so that Marine Drive can be elevated, allowing the light rail extension to cross under Marine Drive. The Marine Drive interchange is expected to take a little more than 3 years to construct, including work at the Victory Boulevard interchange.

4. Review of the Finance Chapter of the FEIS (incorporate recommendations from the OST)

The project has incorporated the treasurer's recommendations to reduce financial risk and provide a more conservative finance plan. The updated financial chapter in the FEIS includes a recalibrated tolling financial projection to reflect the stalled economic growth and a level debt service. The treasurer's office is currently reviewing the FEIS financial chapters for consistency with his recommendations. The CRC will submit a finance chapter that reflects the treasurer's recommendations and the Federal Transit Administration and Federal Highway Administration will provide final approval of the finance chapter for FEIS publication.

5. Inclusion of the Bike/Ped Safety and Security Plan in the FEIS

We have included new language in 2.2.3 Pedestrian and Bicycle Improvements. We also refer the reader to the Memo from the Pedestrian and Bicycle Advisory Committee to the project and letter from the project accepting these recommendations. The new language reads:

Safety and Security

A maintenance and security program for the multi-use pathway would be established. It could include some or all of the following, as well as additional, elements:

- Identification of reliable funding sources and responsible parties for maintenance and security
- Commitment of reliable funding sources and responsible parties for maintenance and security
- · Demand responsive and prompt facility management and maintenance
- Opportunities to "program the space" and support activity (e.g., kiosks, overlooks, vendor opportunities) to provide "eyes on the pathway"
- Ensure 24 hours a day, seven days a week pedestrian and bicycle access to and across the bridge and its connecting pathways

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- · Visible and regular on-site monitoring by law enforcement officers or security staff
- · Security cameras monitored by law enforcement officers or security staff
- Call boxes to enable bridge users to report immediate maintenance needs and security concerns
- Efficient, sufficient, vandal-proof, no glare and dark skies compliant clear, crisp, white LED lighting
- · Clearly posted laws and ordinances
- · Advance notification and posting of maintenance closures and detours
- Citizen and volunteer participation shall be encouraged for future maintenance, operations and programming

CRC Responses to Post EIS Issues

 Disposition of the former Thunderbird Hotel site after use as a construction staging area as a park

The process for the final decisions regarding the disposition of any surplus property is made following the completion of construction. The potential uses of this specific site as a park and its potential to be declared surplus property will be discussed and coordinated with residents, local property owners and project partners.

2. Establish an approach to considering a park and ride lot on Hayden Island

Further discussion regarding a park and ride on Hayden Island will occur as the project design is further developed after the Record of Decision. Compared to current transit access, the LPA represents a 25% driving distance reduction for a typical Hayden Island resident to access a park and ride facility and without having to use the freeway system. Please note the City of Portland's Hayden Island Plan designates the MAX station area as a mixed use district. Generally, TriMet and the City of Portland policies do not support siting park & rides in existing or planned mixed-use districts.

3. Commit to development of a community enhancement fund proposal

In the last three years the CRC project team, the Project Sponsors Council, and CRC advisory groups have focused on incorporating a wide range of community enhancements into the project. The project has looked for ways to leverage the highway and transit investments into additional improvements for project neighbors and local communities. These improvements are beyond the benefits identified as the project's purpose and need. These tangible improvements include: improved local street connections in downtown Vancouver; new local roads and improved local flow and connections for Hayden Island residents; better bike and pedestrian access to the improved facilities; new bike and pedestrian trails; and a separate bridge for local auto access from North Portland to Hayden Island.

We know there is more to be done. The CRC remains committed to aggressively maximizing and leveraging resources to bring additional benefits and improvements to our community.

Two options have been identified for further exploration, both include a financial set aside of a

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specific amount dedicated to a specific purpose. One approach is a project specific community enhancement fund. There is some history with such an approach - the Delta Park I-5 widening project (2006) and Metro's solid waste program (1991) are two examples. The other approach is a different concept, a regional fund established by the state to benefit the neighborhoods and communities in close proximity to I-5 and the CRC project. Both approaches have been successfully implemented in the Portland region and will help inform this effort.

We need to be clear about both of these approaches – neither will be easy. Both approaches have limitations and legal restrictions associated with anticipated funding sources. Both will require legislative support. Both will likely need enabling legislation and both will require funding. To be successful will require a clear purpose with obvious benefits and very broad support.

We appreciate the attention and focus that the Metro Council has maintained on this issue. The CRC is committed to working with Metro and project partners to: develop a clear need or problem statement; review and advance a program that addresses the needs statement with funding sources or opportunities identified; and, submit the program concept(s) to the Oregon legislatures in 2012 or 2013. The work scope to carry this out is defined below:

Community Enhancement Fund Scope of Work/Work Plan

- · Development of Purpose and Goals of the Community Enhancement Fund.
- · Definition of a policy basis for establishing the fund.
- Investigation of existing programs, including implementing agencies, legal structure, decision-making structure and criteria, project eligibility, accountability and summary of actual projects implemented.
- Definition and evaluation of alternative organizational and governance structures for administration of the fund and minimum requirements for representation on enhancement fund project selection committees. Consideration of alternative approaches for administration, including in-house, through an existing foundation (such as Oregon Community Foundation or Meyer Memorial Trust) or creation of a special purpose nonprofit organization.
- Definition of community enhancement fund project eligibility and required vs. optional selection criteria.
- Investigation of legal restrictions of various potential funding sources under federal, state, regional and local authority and funding limitations. Identification of potential legislation required for implementation.
- · Definition of mechanisms to ensure accountability of expenditure of public funds.
- 4. Establish how phasing will be defined and Metro will be involved

The CRC has always anticipated that construction of the entire project would require several years and would be phased to provide the most efficient implementation while minimizing impacts on the community and corridor users. Project engineers began months ago reviewing

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engineering realities associated with keeping the facility open for users and bringing key elements such as light rail transit on line as expeditiously as possible.

While the engineering work on phasing was in progress, the project team also began an update of the financial analysis for the FEIS. That work dovetailed with the governor's request to the state treasurer to undertake an independent review of the CRC's "financial options, an assessment of strengths and weaknesses, as well as project phasing schedules with contingency plans if some of the funding does not materialize."

The state treasurer's review provides more clarity as well as updated information on the finances available for project implementation and the flow of those resources. In addition to the treasurer's work, the governor went further and signaled that he expects the CRC to start planning for a project that "adapts to available resources and fits into today's economic reality."

Capturing the work of the state treasurer and recognizing the changing economic realities, the CRC has begun an intensive work plan overlaying the engineering phasing with anticipated cash flow and funding realities. We have been asked to have this work ready for review and discussion by the interim legislative committees in both states. We anticipate that this work will have a full and complete public review and discussion, which will include Metro and other project partners.

The project is also incorporating the treasurer's recommendations to reduce financial risk and provide a more conservative finance plan. This more conservative approach will help inform the CRC's sequencing plans. The updated financial chapter in the FEIS will include a recalibrated tolling financial projection to reflect the stalled economic growth and a level debt service. Further financial scrutiny and certainty will result from an investment grade analysis that will occur prior to the initial sale of bonds.

 Establish how governance of the project after completion will be determined and how Metro will be involved

In 2010, the Project Sponsors Council began discussing a set of complicated policy issues dealing with the management of this multi-modal facility. To facilitate a more in-depth review of some of these "governance" issues, a 14-member work group comprised of partner agencies, including Metro, was formed and chaired by Henry Hewitt and Steve Horenstein. The work group agenda includes developing options to implement a structure for on-going governance and project management in the periods before, during and after construction.

To help inform these discussions, WSDOT, ODOT, state DOJ/AG's, and the CRC are currently identifying key legal issues between the states and developing corresponding terms and conditions that will ultimately form the intergovernmental agreements. This scope of work includes:

- · Reviewing existing bi-state agreements, decision matrix, and supporting documents;
- Reviewing state authority for Oregon and Washington;

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- Developing proposals and options for governing structure for toll setting and administration, including how it would work with the Oregon and Washington Transportation Commissions;
- Developing proposals for debt allocations, including identification of needed legislation; and
- Identifying issues that may need resolution through new state or federal legislation.

The Oregon treasurer's July 20, 2011, report confirms the CRC focus with a finding that the CRC's governance plan must include a robust toll setting mechanism to assure that all toll-related debt service is paid in full each year through toll revenues.

The legal review and findings currently underway will serve as foundation for the governance work group as it develops options on possible governance models. This work must result in a governance model that will build confidence with the bond markets.

The probability that state legislation will be required in Washington and Oregon requires substantial progress on key governance issues in the next year. The CRC is working on a timeline and work plan for identifying and resolving the legal, policy and political issues on management of the facility. The specific schedule for which work when will be developed in response to the timelines associated with legislative action and bonding.

A report entitled "Columbia River Crossing, Cross-Jurisdictional Laws, Governance and Funding" has been distributed to Metro staff as further information on this topic as well. The report was originally prepared for the Washington State Legislature pursuant to ESSB 6381.

Establish how the finance plan will be refined and implemented over time and how Metro will
be involved, including when there will be a decision on collection of tolls during construction

The financial plan for the CRC project is a combination of state, federal and local contributions. The general basis of that plan is not anticipated to fundamentally change but will be flexible in response to timing of available revenue. It is the project's intent to seek funding that does not jeopardize other regional priorities.

Specifically related to the federal dollars being contemplated, the project will pursue FHWA highway discretionary funding and FTA Section 5309 funds through the competitive New Starts process. The funding contribution being pursued is \$400 million in highway funds, and \$850 million through New Starts. Work on this portion of the plan will continue through the Preliminary Engineering, Final Design and the Full Funding Grant Agreement phases of the project. The project anticipates applying to enter into Final Design by early summer 2012, and hopes to begin receiving grant funds prior to construction starting in 2013.

The state funding participation is anticipated to be in the amount of \$450 million each from Washington and Oregon. Initial requests will begin in the legislative sessions for 2012 and/or 2013, with state funds being allocated prior to construction in late 2013. The CRC looks

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forward to continued partner agency support, including Metro, in the quest for state funds for this important project.

The local participation described above will be pursued as tolls on the new crossing. The authorization to toll will be a topic in the 2012 Washington legislative session, and toll bond sales are anticipated to begin upon completion of the toll investment grade analysis, currently planned for 2013. Toll bond covenants will require that toll revenues are first used for the following: debt service, reasonable return on private investment, and operation and maintenance, including reconstructing, resurfacing, restoring and rehabilitating work, among other things.

The recently released analysis by the Oregon Treasurer advanced the idea of pre-completion tolling to help achieve sufficient revenues. Further discussion of tolling during the construction phase will likely be raised during the engagement process with the legislatures, and pending governance discussions will need to be resolved to implement tolling.

 Establish how aesthetic considerations will be incorporated into the design and how Metro will be involved

Governor Kitzhaber is working on a proposal to appoint a bi-state committee to review and select an architect and a bi-state bridge design advisory committee to work with the architect and public. The draft work plan is still in progress but is guided by the following:

"Moving forward the project requires highly qualified, exceptionally skilled, visionary design leadership that understands the importance of design in delivering a project that is worthy of the majestic setting and serves the needs of the citizens." UDAG

A joint governor appointed independent selection committee will review qualifications and recommend a qualified bridge architect to work with stakeholders, the urban design community, public, and project staff to develop conceptual designs, standards and/or criteria that will be the included in any bridge construction procurement documents. This firm or person could be retained throughout the design and construction of the bridge to develop, explain, and work with the design/builder to ensure that the final bridge design includes these standards and criteria.

The architect(s) would:

- Develop the aesthetic response to the crossing over the Columbia;
- Include the Harbor bridge(s) and the Hayden Island and SR 14 interchanges;
- Create increased certainty in the community about the conceptual design;
- Develop the design standards and/or criteria for inclusion in the bridge designbuild RFP; and
- Provide consistency for the aesthetic design throughout the design-build process.

The architect will work with a group of stakeholders to develop conceptual designs, engage the public on design concepts, and approve the architectural standards and/or criteria for inclusion in design-build RFP and procurement documents. The members will represent diverse bridge

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and bridge corridor stakeholders including, but not limited to: freight, marine, bike/ped, neighbors, commuters, transit and design community.

This work is in progress and is guided by providing adequate time to inform the design-build procurement schedule.

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