



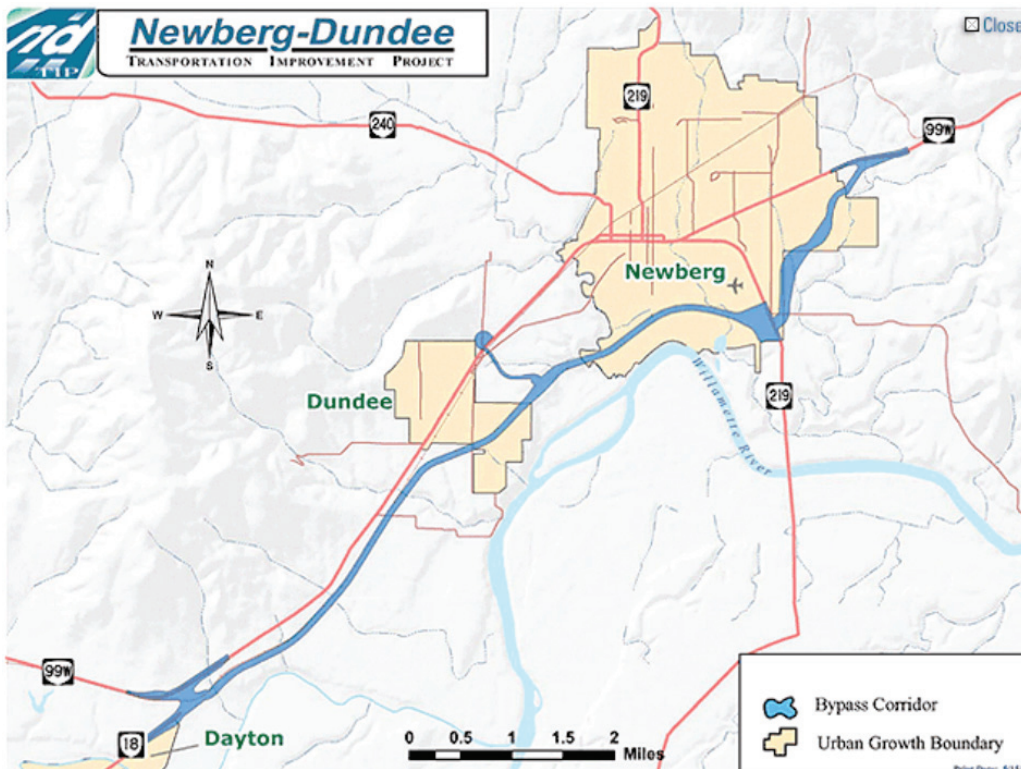
# Facts About the Summary Feasibility Review of the Newberg-Dundee Transportation Improvement Project

## Newberg-Dundee Bypass

This project consists of a proposed 11-mile stretch of highway that would be located on the south side of Newberg and Dundee, running parallel to Highway 99W. The Bypass will provide relief for 99W, where traffic is expected to increase from approximately 35,000 vehicle trips a day to as many as 56,000 over the next 20 years. It also would alleviate rapidly increasing truck and commuter congestion on 99W through Newberg, Dundee and west to Dayton, and reduce the burden on local streets, roads and traffic systems.

## Summary Feasibility Review

The following information summarizes the key points, issues and considerations raised in the report.



**Purpose of the Summary Feasibility Review** – Oregon Transportation Improvement Group (OTIG), in consultation with the Oregon Department of Transportation (ODOT) and local communities, is working to investigate whether the Newberg-Dundee Transportation Improvement Project is both a technically and financially viable transportation solution for the state of Oregon. OTIG has prepared a preliminary review to identify the specific issues that require further focus and analysis. Among those issues are funding, options for tolling and extending the project west to McMinnville and east to I-5, design and construction costs (estimated at between \$325 million and \$425 million for the base project), and next steps.



**Funding Options** – Funding options for the project include federal earmarks and Oregon Statewide Transportation Improvement Program (STIP) funding, Oregon gas tax increases, regional property tax increases, land value capture and highway tolling. The preliminary analysis indicates that since no additional federal or State funding is currently available, highway tolling would be the most financially viable source of funding to build and operate the Newberg-Dundee Bypass. Both the Bypass project and the use of tolls as a funding mechanism enjoy strong local support. In addition, this approach is likely to have greater public acceptance than increases in property or gas taxes, and offers more certainty than federal or State funding sources.

**Feasibility of Using Tolls to Fund the Project** – Preliminary study results indicate that the Newberg-Dundee Bypass Project is likely to be financially self-supporting using toll revenues alone under an “access” tolling option. However, there are a number of tolling options available and a number of traffic and revenue variables that require further study before any firm conclusions can be reached. A more detailed study of these variables will be conducted in the next phase.

### **Tolling Methods, Tolling Options and Interoperability**

There are four basic tolling methods that could be used for this project: distance, exit, point and access (see a detailed discussion in the Toll Options Fact Sheet). Each of these methods can employ either barrier or “open road” toll collection. Non-stop electronic toll-collection systems that are currently in use throughout the U.S. and worldwide could also be implemented for this project.

Two general tolling options should be considered further; tolling the Bypass and “access tolling.”

**Tolling the Bypass** – This tolling option would only charge users of the Bypass, even though local residents will benefit from reduced traffic through Newberg and Dundee. However, tolling only the Bypass may not achieve local resident expectations, improve quality of life or divert enough traffic away from city centers. Also, this option reduces the revenue available to pay for the project and may prevent it from moving forward.

**Access Tolling** – This tolling option would capture all through traffic using the corridor, whether these vehicles use the faster Bypass or the existing OR99W. Access tolling would ensure higher utilization of the Newberg-Dundee Bypass and would reduce the impact of traffic through city centers. It is expected that any access tolling option could be combined with a toll discount program for local residents.

The preferred tolling option for the project should be based on the traffic and revenue data that the study team proposes to collect over the next several months. No options are being precluded at this stage.

Finally, the issue of “interoperability” should be considered. Interoperability is particularly important in Oregon where there are no tolled facilities at present. Ideally, the tolling system would be designed to allow electronic toll collection customers to use any future toll roads in Oregon, as well as surrounding states, with a single e-sticker or transponder device.

**Extension Options** – Three potential extensions of the base project have been suggested and if any prove feasible, separate environmental documents will be prepared. Extension options should not be allowed to delay implementation of the base project.



**McMinnville Extension** – This option would extend the base project along OR18 from McDougall Corner to McMinnville, to create a 20-mile, limited access corridor. The largest costs for this extension are the interchanges and additional right of way. The total cost estimate for this extension is approximately \$160 million. If this option were to go forward, additional analysis needs to be completed along with an environmental assessment.

**Tualatin – Sherwood (I-5/99W Connector)** – ODOT is conducting preliminary analysis in relation to this project, which will provide a direct link between the I-5 and OR99W, bypassing the towns of Tualatin and Sherwood. Based on a number of assumptions, the estimated total cost for this option is about \$520 million. In addition, the amount of right of way required needs to be verified. It is highly unlikely that the Tualatin-Sherwood Connector will satisfy the requirements of the RFP as an extension to the Newberg-Dundee project and therefore will likely not proceed forward on that basis. Any decisions on this option would be years in the future and will require extensive public input.

**OR18 Beyond McMinnville** – The proposed extension of the Newberg-Dundee Bypass beyond McMinnville would ease traffic congestion related to vehicles traveling to and from the casinos and could improve motorist safety in the area. It would also provide the opportunity to add new lanes and facilitate safer travel to the Yamhill County line and ultimately to the Oregon coast. While there have been no cost estimates prepared by ODOT for this project, it is expected that the cost may be approximately \$280 million. It is premature to provide recommendations as no analysis has yet been completed in relation to this extension option.

### Design and Construction Costs

Over time, there have been significant increases in the cost estimates for the Newberg-Dundee Bypass Project. Changes in the vertical alignment of the project are primarily responsible as these changes increase costs for excavation, soil stabilization and related needs during construction. The net increase in soil stabilization and pavement costs is estimated at almost \$25 million. Other elements still being evaluated, including the size and number of bridges, have added another \$80 million. At this point, the total preliminary construction cost estimate is between \$325 million and \$425 million. An evaluation of design alternatives, using cost and funding as part of the evaluation criteria, will be conducted. Further analysis of the vertical alignment, pavement design, soil stabilization needs, and the number of bridges to be included in the project will also be completed.

### Next Steps

To reduce the overall construction cost of the Newberg-Dundee Bypass Project and the extension options, OTIG recommends further engineering analysis of certain project elements, with the goal of reducing costs while maintaining an acceptable design. OTIG also recommends further collaboration with ODOT to identify areas of the project that could possibly be scaled back.