



Questions and Answers: Newberg-Dundee Bypass Transportation Improvement Project

March 2006

1. What is the Newberg-Dundee Bypass? A proposed alternative roadway aimed at reducing congestion along the 99W corridor in Yamhill County (also known as the Newberg-Dundee Transportation Improvement Project or NDTIP). The bypass is approximately 11 miles long, starting at the east end of Newberg and ending near Dayton at the junction with OR 18.

2. What is the funding obstacle to building the project? There are no currently identified public funding resources for the Newberg-Dundee Bypass or other transportation projects of this magnitude. By taking a public-private partnership approach, ODOT is able to enlist a private partner, the Oregon Transportation Improvement Group (OTIG), in taking some of the upfront financial risks.

3. Why is ODOT considering tolling this facility? Because there is no public funding available, ODOT is looking at tolling as a possible option for funding construction, operation and maintenance of the new bypass. In 1995, the Oregon Legislature, at the request of the Yamhill County Parkway Committee, authorized making the Newberg-Dundee Bypass a toll facility. In 1999 the Legislature next directed ODOT to examine tolling as a way to help pay for new roads (ORS 366.292) since current gas tax revenues cannot fund new, large projects such as the Newberg-Dundee Bypass. During the next several months, ODOT and OTIG will examine the potential use of tolling as one of several funding mechanisms for this project and gather public input.

4. Why was an Australian firm chosen? OTIG's principal partner, Macquarie, has extensive experience in bringing major, unfunded transportation projects to successful completion. They have worldwide experience developing and operating tolling facilities. They are currently developing the Sea-to-Sky Project in British Columbia that will be built for the 2010 Winter Olympics and the South Bay Expressway in San Diego, a project that had been under development for years. Macquarie recently acquired the operating rights to the Chicago Skyway for \$1.9 Billion and the Dulles Greenway in Virginia for \$533 Million, two facilities in major metropolitan areas that are funded through tolling.

If the Newberg-Dundee Bypass is approved for construction, OTIG will obtain bids from firms to be the design-construction contractor. This will allow US firms to bid and will assure highly competitive pricing for the project. It will also provide economic benefits to the community and region.

5. Is it true that Macquarie is being paid \$20 million – what’s this for? No. Oregon Transportation Improvement Group has agreed to bear the cost of conducting pre-development studies on three projects, and it was their willingness to do so that was a key point in their proposal. ODOT has set aside an amount not to exceed \$20 Million for the possible reimbursement of costs of conducting pre-development studies should ODOT or OTIG decide not to proceed with any of the projects. The maximum ODOT expenditure for the Newberg-Dundee project is \$6.75 Million; these are funds ODOT would have spent anyway to do the necessary research on the Newberg-Dundee Bypass. Because ODOT is approaching these projects as a public-private partnership, these costs will not be incurred by ODOT if the transportation projects are found to be viable and proceed to construction.

6. Are environmental impacts being considered (streams, wetlands, etc.)? Yes. Addressing environmental needs is a major component of any transportation project, including the Newberg-Dundee Bypass. ODOT will comply with all of the National Environmental Policy Act (NEPA) requirements, including analyzing reasonable alternatives. This requires an extensive look at the impacts on fish, wildlife, waterways and wetlands, and ODOT is nationally recognized for its environmentally sensitive management practices.

7. What is the impact on existing homes and businesses? If the NDTIP goes forward, it is anticipated that vacant property, homes, mobile home parks, apartment complexes and businesses will be affected. ODOT will conduct property acquisition, relocation assistance, and compensation in accordance with the Federal Relocation Assistance and Real Property Acquisition Act and pertinent state laws. Although the exact alignment of the roadway is not known at this time, it is estimated that over 300 total parcels could be impacted, requiring numerous business and residential relocations. When property and property rights are impacted, a legal description of the affected area is provided, an appraisal is completed, and just compensation is determined and paid. Relocation benefits are also determined and paid and tenants are advised of relocation options.

8. Why did ODOT reject the “Regional Bypass” option? Many options for the project were considered, including a “Regional Bypass” option. Extensive public input was gathered as part of the required Environmental Impact Statement (EIS). Ultimately, the “Regional Bypass” alternative was rejected for a variety of reasons, including:

- Greater development and construction costs;
- Objections by the U.S. Fish and Wildlife Service not supporting a new bridge crossing the Willamette River;
- The Regional Bypass was much less effective in reducing congestion through Newberg and Dundee as would the selected bypass option and would have required expensive improvements to I-5;

- Construction of a new highway in farm land would have required approval of land use permits by the Marion County Board of Commissioners and they unanimously oppose granting such permits and the Regional Bypass.

9. Why is this good for Yamhill County? OTIG is providing its own time and expertise to determine the feasibility of the Newberg-Dundee Bypass, thus, there is very strong incentive for OTIG to complete its work as early as possible. This could ultimately bring the benefits of less traffic congestion through Newberg and Dundee much sooner than could happen through the normal processes.