



Oregon

Tina Kotek, Governor

Oregon Transportation Commission

Office of the Director, MS 11

355 Capitol St NE

Salem, OR 97301-3871

DATE: August 5, 2026

TO: Oregon Transportation Commission

FROM: Chris Warner
Interim Director

SUBJECT: **Agenda Item G** – Increase Construction Authorization for the *I-205: I-5 to OR213, Phase 1A (Abernethy Bridge)* project

PRESENTED BY: Delivery and Operations Division Administrator Tova Peltz, Region 1
Manager Rian Windsheimer and Area Manager Vidal Francis

Requested Action: Decision

Approve an increase in Construction Authorization for the *I-205: I-5 to OR213, Phase 1A (Abernethy Bridge)* project from \$672,000,000 to \$697,000,000 for a total increase of \$25,000,000. The increase will be paid for through bonding as identified in the Urban Mobility Strategy Finance Plan.

I-205: I-5 – OR213: Phase 1A (K22467)			
Phase	Year	Cost	
		Current	Proposed
Construction	2022	\$672,000,000	\$697,000,000
Other	2022	\$180,528	\$180,528
Total		\$672,180,528	\$697,180,528

Background:

The I-205 Improvements Project improves Interstate 205 by widening and seismically retrofitting the Abernethy Bridge, creating safer options to enter and exit the corridor with an auxiliary lane from OR43 to OR213, and combining the OR43 ramps. Once the project is complete, the Abernethy Bridge will be the first earthquake-ready state highway crossing of the Willamette River in the Portland-metro region.

The I-205: I-5 – OR213, Phase 1A project was advertised for bid in December 2021 to allow for construction to begin during the first allowable in-water work window in summer 2022. Phase 1A includes Abernethy Bridge improvements and adjacent highway construction, OR43 roundabout construction and ramp improvements, OR99E interchange improvements, stormwater treatment, retaining walls, signing, striping, sign structures, illumination, and construction of a sound wall at Exit 9. Locally funded water and sewer line improvements are also included in this phase.

The construction contract was originally awarded to Kiewit Infrastructure West Co for \$447 million after soil stabilization work was pulled from the project scope and deferred to a future follow-up contract.

Following the first year and a half of construction, the OTC approved the addition of \$19.8 million to address cost increases associated with project supply chain issues, excavation obstructions, and minor design changes. In May 2024, the OTC approved the addition of \$82.5 million to address significant redesign and strengthening of the structural crossbeams to ensure they could survive the design earthquake. In December 2024, the Commission took action to compensate the contractor for the additional time needed to construct the redesigned crossbeams, and settle most outstanding claims at the time, consistent with the terms of Contract Change Order 50 (CCO 50), by adding \$72 million and 307 days to the contract. The project's construction authorization of \$672 million and the official contract completion date of October 2026 have remained unchanged since then. However, immediately following execution of the change order, the contractor began reporting schedule delays of 107 days or more without sufficient explanation for ODOT to accept their schedule assertions. Within a year, the contractor reported being between 341 and 441 days behind schedule, again without ODOT concurrence as to either the number of days or the cause of their delay.

ODOT has taken a number of steps to assist the contractor including providing new tools to make the work easier and faster, adapting specifications at the contractor's request such as bearing steel and jacking methods, and removing non-critical project elements that can be delivered in subsequent contracts and/or phases. These efforts have not been successful at producing meaningful schedule recovery by the contractor.

Given that Kiewit continues to assert project completion to occur as late as December 2027, it has become necessary to increase the project's construction engineering and inspection budget by \$21 million (\$1.5 million/month for 14 months) to cover ODOT's contract administration costs through those additional months, and to provide sufficient funding to cover the required contract close out effort that occurs post-completion.

ODOT also requests \$2.5 million to pay for the unanticipated Owner's Representative consultant contract costs from their hire date through today, and \$1.5 million to address a known fuel escalation obligation called for under the contract. While the costs associated with the Owner's Representative contract are significant, the consultants are providing much needed contract administration support, supplementing ODOT inspection resources and providing subject matter expertise that ODOT does not otherwise have the capacity to provide the project.

The funds requested are available within the project's \$815 million finance plan by utilizing funding that had been tentatively earmarked for additional expected costs associated with soil stabilization but not yet programmed in the STIP, so identifying additional funding beyond the current finance plan is not necessary at this time. However, there are remaining project risks to bridge completion, and additional funds will also be required to complete soil stabilization work in the future. The details of this request will be presented in December 2026 after ODOT updates the soil stabilization cost estimate.

The project team will continue to provide the OTC with monthly progress report updates on the project. At the December 2026 and January 2027 OTC meetings, following translation of the bridge, we will provide a refined cost estimate for soil stabilization and discuss all remaining finance plan needs to complete the project.

Previous Commission Action & Discussion:

The Commission is currently receiving updates on the I-205 Abernethy project at each OTC meeting, with the most recent presentation provided in June 2026.

Outcomes:

With approval, ODOT will be able to continue to monitor and administer the construction phase of the project to completion without disruption or reduction in staffing capacity.

Without approval, ODOT will reduce consultant resources and potentially reassign essential ODOT staff, who are vital to providing the expertise and construction administration support necessary to ensure effective project oversight, to other projects for budgetary reasons.

Attachments:

- Attachment 01 – Location and Vicinity Maps

STIP PROJECT LOCATION

K22467

I-205: I-5 TO OR213, PHASE 1A

PROJECT LOCATION



REGION



COUNTY

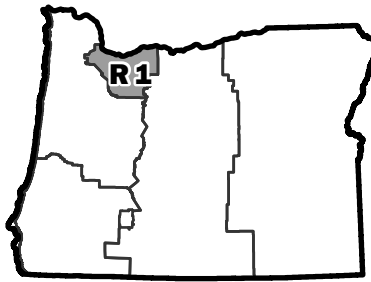


INTERSTATE

STATE ROAD

LOCAL ROAD

RAILROAD



DATE: 8/8/2023
PROJECT NO. 23-52
ODOT | GIS UNIT

This product is for informational purposes and may not be suitable for legal, engineering, or surveying purposes. Users of this product should review and consult the primary data sources to determine the usability of the information. Conclusions drawn from this information are the responsibility of the user.
\\gis_resources\GIS\WORK\GIS23_52_OTC_maps_and_graphics\OTC_MAPS

REGION 1 ACT

West Linn

Gladstone

PROJECT LOCATION

Oregon City

Clackamas County

MILES 0 0.5 1

STIP PROJECT VICINITY

K22467

I-205: I-5 TO OR213, PHASE 1A

PROJECT LOCATION



REGION



COUNTY



ACT



INTERSTATE



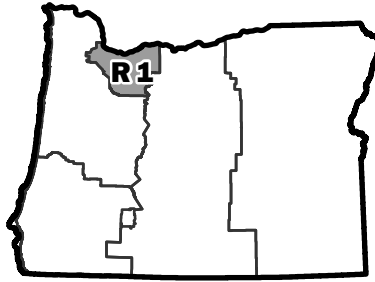
STATE ROAD



LOCAL ROAD



RAILROAD



DATE: 8/8/2023
PROJECT NO. 23-52
ODOT | GIS UNIT

This product is for informational purposes and may not be suitable for legal, engineering, or surveying purposes. Users of this product should review and consult the primary data sources to determine the usability of the information. Conclusions drawn from this information are the responsibility of the user.

\\gis_resources\GISWORK\GIS23_52_OTC_maps_and_graphics\OTC_MAPS

