

C. Capital Revenues

The capital finance plan is summarized in Exhibit 2, and further explained below.

Exhibit 2: Capital Revenue Plan	
Revenue Source	Amount
ODOT Previously Committed Funds	\$57.9
WSDOT Previously Committed Funds	\$49.9
ODOT Contribution	\$450.0
Toll-Funded Sources	
• TIFIA Loan Repaid with Toll Revenues	\$900.0
• Toll Revenue Bonds	\$174.5
• Pre-completion Toll Proceeds (Pay-Go)	\$229.6
FTA New Starts Funds	\$850.0
Total	\$2,711.8

(1) In millions of year of expenditure dollars. Numbers may not add due to rounding

(2) ODOT contribution is planned to consist of about \$382 million in GO bonds repaid with highway fund revenues and \$68 million in formula federal funds

(3) Revenues to pay bridge height mitigation costs separately addressed.

Previously Committed Funds: These are federal and state funds committed to the project by ODOT and WSDOT prior to June 30, 2013 and mostly spent for preliminary engineering and environmental work between December 2009 and June 2013.

Revenues for Bridge Height Mitigation Costs: The revenues for height mitigation have not yet been identified. Options include new revenue sources, scope reductions or tolling revenues. At current rates plus 50 basis points, toll revenues would yield sufficient project funding to cover height mitigation costs. At current interest rates plus 100 basis points, toll revenues would yield sufficient project funding to pay for slightly less than 40 percent of the height mitigation cost.

State Contribution: Consistent with the previous plan, the current plan seeks legislative approval for a further state contribution of \$450 million. About \$382 million of the \$450 million total is anticipated from issuing General Obligation bonds to be repaid with state highway funds. The remaining \$68 million is anticipated to be formula federal funds.

Tolling-related Funding Sources: As in the previous plan, the proposed finance plan relies on tolling the I-5 Interstate Bridges. Unlike the previous plan, the current plan proposes that OTC be solely responsible for approving toll rates, as Oregon/ODOT would be the sole issuer of all toll-related borrowings. The proposed finance plan employs updated traffic and gross toll revenue forecasts prepared by CDM Smith, the investment-grade traffic consultant. The plan assumes the same toll rate as the previous plan. As before, the financing structure does not rely on any toll rate increase after the new bridges are fully operational. Toll collection would be under ODOT.

The plan uses toll revenues to pay the annual operations and maintenance costs of the project, including paying for casualty and business interruption insurance (i.e. protecting against the risk of lost toll