



Office of Mayor Tom Potter
City of Portland

MEMORANDUM

DATE: March 31, 2008

TO: Commissioner Sam Adams
Commissioner Randy Leonard
Commissioner Dan Saltzman
Commissioner Erik Sten
Auditor Gary Blackmer

FROM: Mayor Tom Potter

SUBJECT: Council Agenda Item 433:
NW Flanders Street - Sauvie Island Bridge Re-use

I will be in the Kaer Arbitration when this item comes before Council, and thus unable to participate in the discussion. However, I want the Council to be aware of concerns I have about Item 433 as you move forward.

- I am concerned about cost. This ordinance enters the City into a Sole Source contract with Max J. Kuney Construction for “not to exceed” (unless amended) amount of \$5,500,000.00.” Of that amount, \$2 million will come from PDC Tax Increment Funds; \$2 million will come from Transportation System Development Charges; \$1 million in Federal Transportation Enhancement funds, and \$500K will theoretically come from private donations.
 - ✓ This is listed as a “new” request for \$2 million as a line item in the current ‘07-08 River District URA budget. Since this has not been discussed by the PDC budget work team, how will this impact other projects in the district using PDC Tax Increment Funds?
 - ✓ Building a new, 15-foot wide bridge would cost approximately \$1.5 million less than using the 30-foot Sauvie Bridge. Are there mitigating safety factors or other concerns that justify the much greater costs at a time when the economy is slowing? Is there any documentation on how the preference for the wider bridge was reached?
 - ✓ The “private” funds have not yet materialized. According to PDOT, any

shortfall will be made up with “funds budgeted for bicycle and pedestrian safety improvements...” I am concerned about spending money marked for bicycle and pedestrian safety on what will be a third bridge in a three-block span.

- ✓ I am concerned about the “final” cost. The contractor has already received \$350,000 for preliminary work, and the Purchasing Agent has the ability to amend the contract for up to 25% of the total cost without coming back to Council, which would equal \$1,375,000. Although there is a “high” confidence factor in the \$5.5 million figure, it is conceivable that the City could end up paying \$7.2 million for this one bridge if there are delays.
- If Council approves this item today, this project becomes a priority over others using Transportation System Development Charge funding. Does the need for this bridge outweigh other capital transportation requests we currently have? Crossing I-405 does not appear to be an immediate problem for bikes or pedestrians given that there are currently two overpasses on either side of Flanders - one on Everett, another on Glisan.

In a constrained budget environment, and with \$7 million in transportation spending that Commissioner Adams is currently supporting in the General Fund budget, I would urge the Council to discuss whether we should fund this project or focus on other neighborhood transportation priorities.