

## Budget

### Grant Funds, Sources and Uses of Project Funds

The City of Pendleton is requesting \$39,750,000 in RCN grant funding. The total cost of the I-84/US 395 Southgate Interchange Improvements Project is \$42,000,000. While this project is within a Disadvantaged Community and qualifies for a 100 percent federal match under the program, the City of Pendleton is volunteering \$2,000,000 in non-federal matching funds and Umatilla County is contributing \$250,000 to make this severely needed proposal a reality.

The City of Pendleton will obligate matching funding from its existing Street Fund, which is primarily funded from fuel tax shared revenues. A resolution from the City of Pendleton council unanimously approving this funding (“[Pendleton Financial Commitment](#)”) has been submitted as part of this application. There are no restrictions on timing or use that would affect the City’s use of funding toward this project. Umatilla County is obligating funding from its general fund and there are no restrictions on timing and use of this funding. A letter from Umatilla County is also included with the application (“[Umatilla County Letter of Support](#)”). A letter from ODOT outlining its previous investments toward the project and willingness to administer the grant upon the awarding of RCN funds is also attached (“[ODOT Commitment](#)”).

Funding Source	Total (\$)	Percent of Total
City of Pendleton	\$2,000,000	5%
Oregon Department of Transportation	\$0	0%
Umatilla County	\$250,000	1%
<b>Subtotal - Non-Federal Matching Funds</b>	<b>\$2,250,000</b>	<b>5%</b>
Federal RCN Grant Funds	\$39,750,000	95%
Other Federal Funds	\$0	0%
<b>Subtotal - Federal Funds</b>	<b>\$39,750,000</b>	<b>95%</b>
<b>Total</b>	<b>\$42,000,000</b>	<b>100%</b>

Project Budget by Component and Funding Share				
	Total Cost	RCN Funds	Pendleton	Umatilla County
Interchange Improvements	\$39,090,000	\$36,995,892.86	\$1,861,428.57	\$232,678.57
Perkins Ave. Extension	\$2,910,000	\$2,754,107.14	\$138,571.43	\$17,321.43
<b>Total Project</b>	<b>\$42,000,000</b>	<b>\$39,750,000 (95%)</b>	<b>\$2,000,000 (5%)</b>	<b>\$250,000 (1%)</b>

Project Budget by Phase of Work and Funding Share					
Component	Total Cost	RCN Funds		Non-Federal Funds	
		Dollars	%	Dollars	%
<b>Engineering</b>	<b>\$1,890,000</b>	<b>\$1,788,750</b>	<b>95%</b>	<b>\$101,250</b>	<b>5%</b>
<b>Utilities/ROW</b>	<b>\$11,025,000</b>	<b>\$10,434,375</b>	<b>95%</b>	<b>\$590,625</b>	<b>5%</b>
<b>Construction</b>	<b>\$29,085,000</b>	<b>\$27,526,875</b>	<b>95%</b>	<b>\$1,558,125</b>	<b>5%</b>
Roadway	\$15,953,385	\$15,098,739	95%	\$854,646	5%
Structures	\$945,000	\$894,375	95%	\$50,625	5%
Earthwork	\$2,042,565	\$1,933,142	95%	\$109,423	5%
Const. Engin.	\$3,944,430	\$3,733,121	95%	\$211,309	5%
Contingencies	\$6,199,620	\$5,867,498	95%	\$332,123	5%
<b>Total</b>	<b>\$42,000,000</b>	<b>\$39,750,000</b>	<b>95%</b>	<b>\$2,250,000</b>	<b>5%</b>

In addition to the \$2,250,000 match that Pendleton and Umatilla County will contribute toward construction of the improvements, Pendleton and ODOT have already invested at least \$3,452,553 toward the project. Both entities have committed \$1,000,000 in funds for preliminary surveying and design work that is nearly complete and will enable prompt delivery of the project if awarded. Previously, ODOT completed a \$1,200,000 intermediate improvement with a signalized intersection for the eastbound off-ramp. The State has also invested roughly \$530,500 in survey work for the improvements on the south side of I-84 and interchanges with the US 395 Southgate corridor. Moreover, the Federal Highway Administration’s (FHWA) Division Office has already determined that the project will classify as a Categorical Exclusion (CE) under NEPA.

City of Pendleton and ODOT Previously Completed Projects			
Entity	Project Name	Description	Investment
City	SW Perkins Street Project	Federal Aid ready design	\$60,000
ODOT	I-84/US 395 IAMP	Interchange Area Management Plan	\$252,553
ODOT	US395: Pendleton Interchange Ramps	Signal at eastbound off ramp	\$1,200,000
ODOT	I-84/US395 Interchange Improvements	Phase 1 design of intersection w/City/ODOT cost share	\$700,000
City			\$300,000
ODOT	US395: Jct. I-84 to Pendleton SCL	Pavement and ADA improvements	\$890,000
City	Perkins Avenue Extension	Initial Road Extension	\$50,000,000
<b>Total Previous City/ODOT Investment</b>			<b>\$3,452,553</b>

Because of these investments, the preliminary design work for the project will be finished before RCN funds are awarded, positioning this project for prompt delivery once funding is secured. However, due to the limited budget of the City and the funds available to ODOT Region 5 (rural

eastern Oregon), this project will not be completed in the foreseeable future without federal investment.

Although public benefits would be maximized by completing the entirety of the project, Pendleton understands that RCN grant funds are limited. In the event that US DOT has insufficient funds to award the full amount requested, Pendleton would be able to move forward with a reduced project scope scaled to \$20,000,000, which would streamline improvements to the north side of the Southgate Interchange. A rendering of this concept is available on the [project website](#). While this concept would not achieve the full benefits of the preferred design from the IAMP, it is still consistent with the IAMP and would provide significant access improvements for disadvantaged communities divided by the interstate. This scaled back option would also remove the Perkins Avenue extension component from the scope of work. While the Perkins Avenue extension is important for access, long-term functionality, and local residential and economic growth, completion of the interchange improvements would still achieve significant benefits outlined in the application.