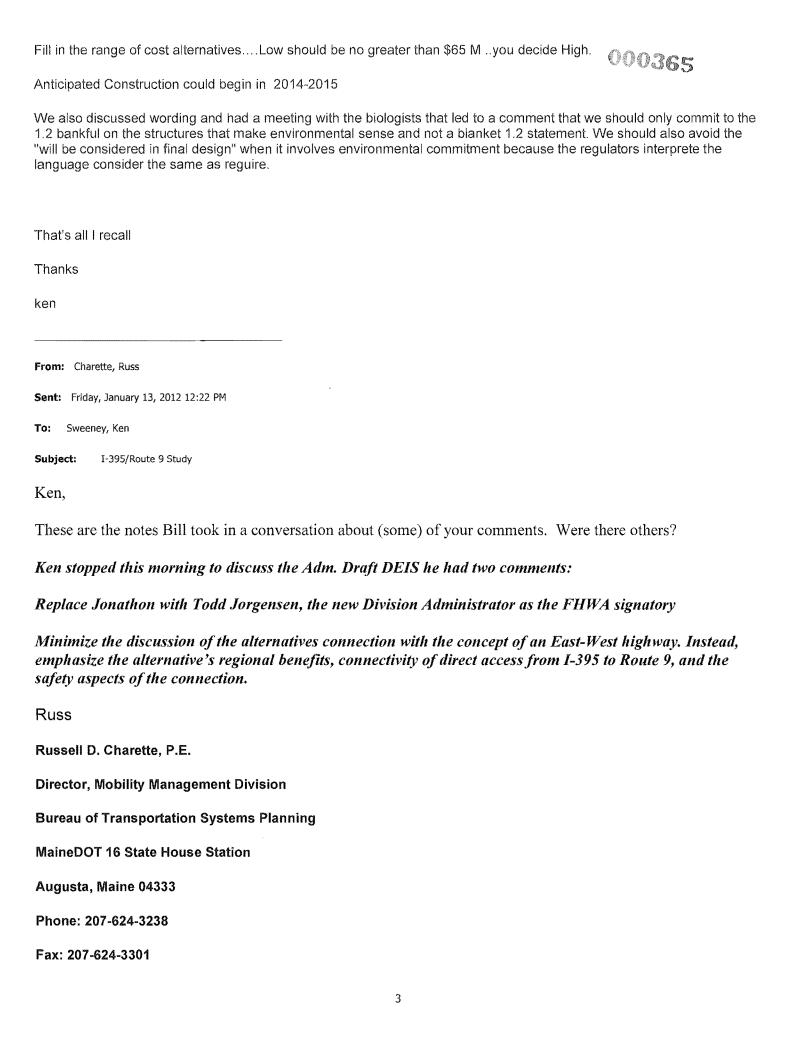
Benefit to Cost Ratio & Analysis part 1

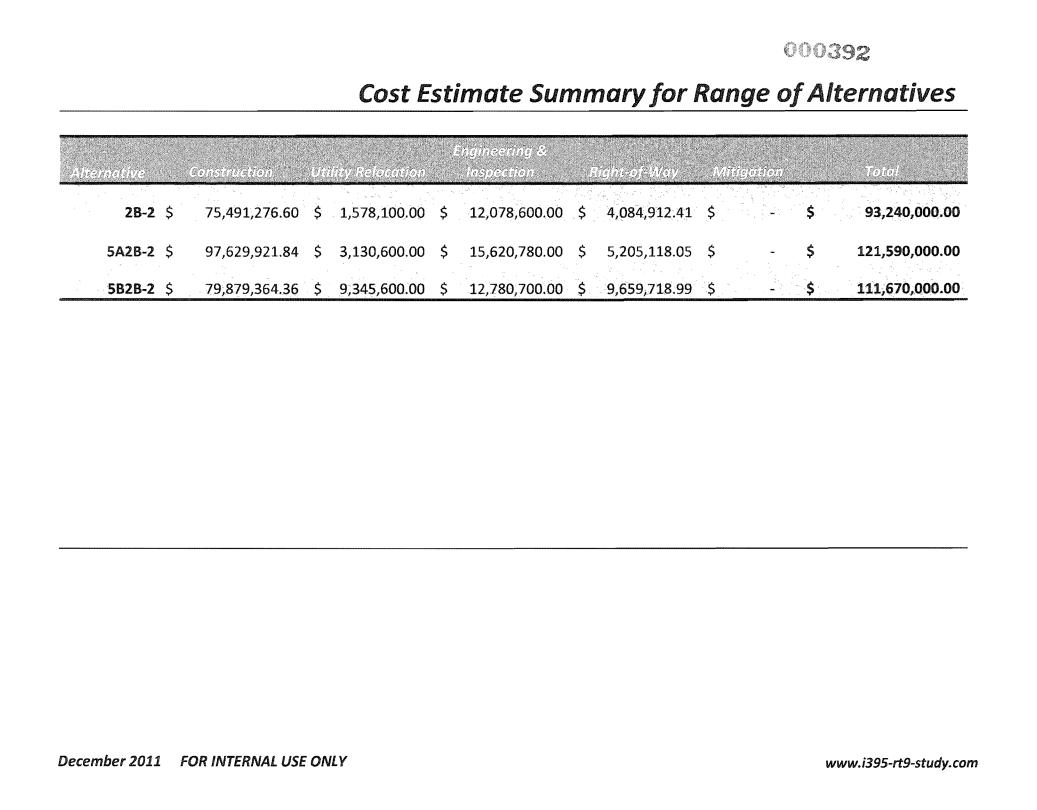
"The estimated construction costs of alternatives include the costs of preliminary engineering, construction engineering, utility relocation, acquisition of property for right-of-way, and mitigating environmental impacts. The costs of the build alternatives would range between approximately \$61 million and \$81 million (in 2011 dollars)." (DEIS pg. s15-s18)



01/13/2012: This is an email from Chief Engineer Ken Sweeney to Project Manager Russ Charette, telling him what the costs should be for the alternatives. "Fill in the range of cost alternatives...Low should be no greater than \$65 M ..you decide High."

01/20/2012: Email thread between Mr. Sweeney and Mr. Charette. Mr. Sweeney stated he needed to see the cost estimates from the consultant first before drafting a memo to the file as requested by Mr. Charette (pg. 640 FOAA).

01/30/2012: Mr. Sweeney's memo to the file (shown on "Design Criteria Change: Freeway to Rolling Rural" poster). He indicated the cost estimates could be reduced by one-third due to the down-design, and reducing the contingency line.



These are the cost estimates sent to Mr. Sweeney, which he reviewed and decided to reduce by one-third, to reach \$61 million.

However, $$93,240,000.00 \div 3 = $31,080,000.00$ \$93,240,000.00 - \$31,080,000.00 = \$62,160,000.00

Note that the cost does not seem to include Mitigation.

Benefits are calculated at \$61,424,195 as shown here.

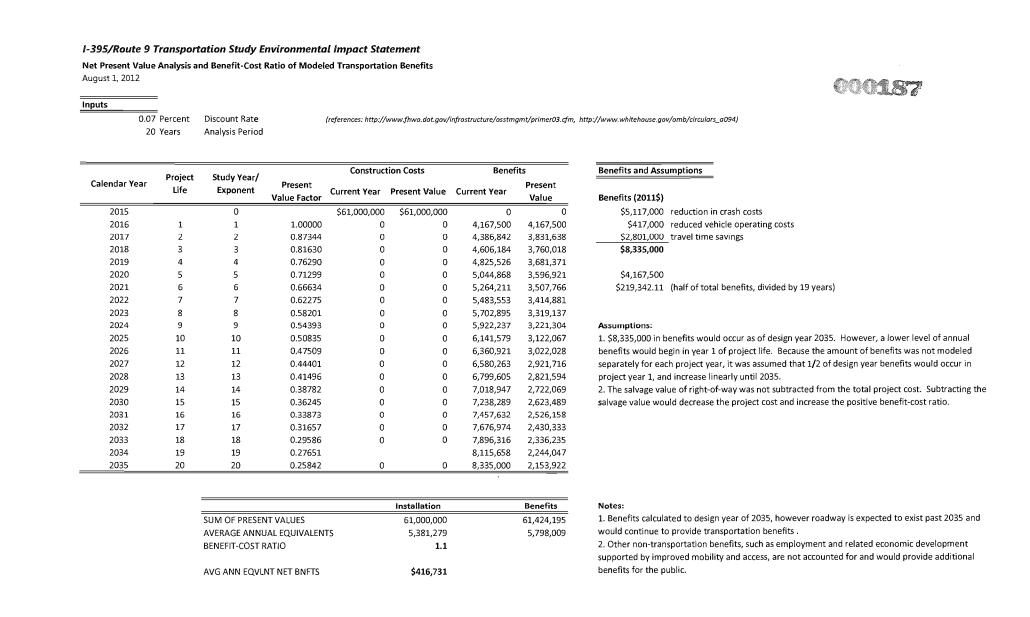
The cost has now changed to \$61 million and I have not found where the \$1,160,000 has gone.

The benefits calculation does not include jobs creation, transportation benefits beyond the study year, or long term maintenance (pg. 277 FOAA). Given those missing items, the calculated Benefit to Cost ratio is 1.1 according to this document.

1.1 is achieved by using the Average Annual Equivalents numbers (rounded up from 1.077). Using the bottom-line figure Sum of Present Values, the B/C is 1.007

When one examines the calculated amount of cost of construction, reduced mathematically by one-third, and compare to the established benefit amount of \$61,424,195 then one comes up with a B/C of 0.988.

The MDOT acknowledges in an email that adjusting the discount rate can create a more favorable BCR (pg. 277 FOAA).



"The estimated construction costs of alternatives include the costs of preliminary engineering, construction engineering, utility relocation, acquisition of property for right-of-way, <u>and mitigating environmental impacts</u>. The costs of the build alternatives would range between approximately \$61 million and \$81 million (in 2011 dollars)." (DEIS pg. s15-s18)

Benefit to Cost Ratio & Analysis part 2

The MDOT has performed B/C analyses before on transportation planning projects, such as the Wiscasset Bypass study. This is a section from pg. 29 of the "Wiscasset Route 1 Corridor Study Phase II Alternatives Analysis Supplement" dated Sept. 2009. This analysis includes estimated mitigation costs, and was performed by the same consultant as the I-395/Rt. 9 Study.

These alternatives all show a Benefit to Cost Ratio of 2.27 or greater.

Criteria	No Build	N8c	N2f	N2a
Traffic Safety & Mobility				
Change in Annual Crashes, 2030	0	-9	-15	-8
Change in VMT, 2030	0	9,700,000	8,500,000	9,300,000
Change in VHT, 2030	0	-1,130,000	-1,090,000	-1,030,000
Estimated Capital Cost, \$M (2006) 8	\$1.1	\$82.25	\$78.95	\$81.75 8
Life Cycle Cost, \$M (100 Years)	N.A.	\$136.01	\$123.88	\$122.02
Benefit-to-Cost Ratio (Life Cycle)	N.A.	2.46	2.43	2.27
Mitigation Costs (Included in Estimated Ca	pital Cost, Lif	e Cycle Cost &	Benefit-to-Cos	t Above)
Wetland, \$M	N.A.	\$1.35	\$1.45	\$2.05
Wildlife, \$M	N.A.	\$1.40	\$1.80	\$1.70
Historie, \$M	\$0.02	\$0.10	\$0.23	\$0.06
Constructability		00000000000000000000000000000000000000		000000000000000000000000000000000000000
Cofferdam Pier Construct Time (Weeks)	N.A.	32	20-30	6
Earthwork (Cubic Yards)				
Cut (Cubic Yards)	0	920,000	1,150,000	965,000
Fill (Cubic Yards)	0	275,000	420,000	400,000
Excess Earthwork (Cubic yards)	0	645,000	730,000	565,000
Operations	Mobility	Improved	Improved	Improved
	Decline	Mobility	Mobility	Mobility

27

The Wiscasset Bypass Study was terminated by the MDOT Commissioner in August 2011.

MDOT Press Release: "The cost of building the bypass far exceeds any potential benefits to motorists and the communities," said MaineDOT Commissioner David Bernhardt. "At a time when we have difficulty finding the financial resources to maintain our existing infrastructure, I cannot justify the expense of building a bypass around Wiscasset." "Adding more miles to our transportation system in this current fiscal environment doesn't make financial sense," said Bernhardt, "Our responsibility going forward is to manage our existing infrastructure within our existing budget." With current funding levels stable at best, MaineDOT concluded that the expenditure of funds on new infrastructure was not justifiable.

"The long-term financial forecast for transportation funding makes it difficult to continue to spend scarce resources on such a large, financially unviable project," said Bernhardt, "We are struggling to maintain the roads and bridges we currently have in safe and serviceable condition."

"A project of this magnitude requires major federal participation as well as some type of special funding from the state," said Bernhardt, "We simply do not see this type of funding becoming available in the foreseeable future."

MDOT Letter to Bypass Task Force Members: "Our responsibility going forward is to manage our existing obligations within our existing budget, and to limit adding new infrastructure to that which is shown to provide overwhelming benefits. We know federal transportation funding will continue to decrease, and the era of special earmarks for transportation projects is over.

The department has to look carefully at the potential cost and benefits of any new infrastructure being considered in Maine. Up until the last year, we believed that over time we could develop funding and make the case for spending what will be close to \$100 million on this bypass, however, this is no longer possible.

Therefore, I have concluded that the long-term financial forecast – balanced against our number one priority of maintaining the infrastructure we already have and the limited benefits a bypass would provide – makes it impossible to justify that expenditure for this project."

Bostwick, Richar	rel	001143
From: Sent: To:	Lindsey, Judy Monday, August 01, 2011 8:12 AM Bostwick, Richard	
Subject:	RE: I-395 connector reduced width	
Richard,		
the foreseeable for Governor as one anyone as I am verblans when avail	ided the reduced lane and 100" to 125" uture so why do more. I've been told the to move forward even though the pricaliting for the modification to be signe able. I'll keep you in the loop.	is project will be taken to the e tag is up there. I hadn't notified
Judy		
JUDY LINDSEY		
MAINE DEPARTMENTOF	TRANSPORTATION	
BUREAU OF TRANSPORT	TATION SYSTEMS PLANNING	
16 STATE HOUSE STATIC	NO	
AUGUSTA, MAINE 04333-	0016	
(207) 624-3291		
JUDY.LINDSEY@MAINE.GO	<u> </u>	
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From: Bostwick, Rich Sent: Friday, July 29, To: Lindsey, Judy		
Cc: Ham, Eric Subject: I-395 conne	ector	
Eddington connecto	Judy that Management wants to go with the 2 l r. We have been told that we only need Sect 7 n crossings and provide a revised length of cro	consult on the 2 lane option. Will GF be
><(((((°>`··`·.	.·`·><((((°>. ><((((°>`·`·.	
·`·><((((°> Richard Bostwick		
Supervisor of Field	d Services	

08/01/2011: This is an email from the Project Manager at the time, to other MDOT staff.

"It's true, Ken decided the reduced lane and 100' to 125' ROW width was all we needed in the foreseeable future so why do more. I've been told this project will be taken to the Governor as one to move forward even though the price tag is up there."

The email on the bottom half of the page reads, "I have been told by Judy that Management wants to go with the 2 lane options for the I-395 Brewer to Eddington connector."