From: Sylvester, Amy

Date: Tue, May 5, 2020, 10:58 AM Subject: MDOT 395 connector response

To: Kevin O'Connell

Hi, Kevin - I passed along the latest concerns about the 395 connector, particularly in regards to the ongoing situation and fiscal implications. Here is the response from MDOT that the administration asked me to share with you:

"Thank you for your inquiry and we appreciate the question. For the reasons below, MaineDOT currently plans to move forward with the I-395 connector project. The most important reason is the long-standing need to improve this section of Maine's transportation system. The I-395 connecter, once built, will serve as a vital link for freight transportation from the Bangor area to points east and north of Bangor.

In addition, the State of Maine received discretionary funding for the I-395 connector project. Any delay or suspension of work is apt to have serious financial implications. MaineDOT received a \$25 million INFRA grant for this project. This grant is funding specifically for this project, and the funds need to be obligated by September 2021. We are currently on schedule to meet that timeframe, however, any suspension of the project would jeopardize that schedule and the \$25 million. Not only are these funds at stake if we don't proceed, but future discretionary funding applications could be jeopardized. One of the reasons why Maine has remained so successful with discretionary funding applications is because we have the reputation of delivering on the projects in our applications. Should anything jeopardize this reputation it could put future MaineDOT applications for federal discretionary funding at risk.

We believe that now is the time to continue investing federal and state dollars into Maine's transportation infrastructure. Due to the COVID-19 pandemic, more Mainers now than ever need reliable employment, and construction, since being deemed an essential activity, is reliable employment. The contracting community has created best practices for working in accordance with CDC COVID-19 guidelines, so that construction work can be done in a way that minimizes the risk of spread of the virus. Due to traffic being temporarily decreased, contractors will be able to work more freely and at less cost. After the pandemic is over, normal levels of traffic will return to I-395 and this major freight corridor will benefit greatly by this by-pass, which has been sorely needed."

My thoughts to this email: "any suspension of the project would jeopardize that schedule and the \$25 million" Didn't we hear that same excuse last year with LD 783? The vote was ONTP on April 11, 2019; the bill required a non-governmental entity to report out on the 2B-2 selection NLT April 29, 2019. The DOT claimed they could not suspend the project for 18 days for a report that would have cost a mere .025% of the current \$100 million cost, without jeopardizing the project.

The \$25 million INFRA grant is only 25% of the current \$100 million estimated cost of the connector, so at least \$75 million will have to be taken away from other projects; add that to the annual \$232 shortfall in the roads and bridge budget, the 142 projects that had to be cancelled in January, the anticipated \$125 million loss in the Highway fund over the next 18 months and the billion loss in state revenues by mid-2021, and you have a fiscal disaster. We recognize that, yet our state government insists on spending money that we don't have on a project we don't need. The optics of earthmovers will not look good next year if the state is teetering on bankruptcy...

They need to come up with better excuses or maybe they can tell us the truth for once – that would be refreshing.