

Moving Goods Moving People Moving the Economy

By supporting Oregon through investments in rail, marine and ports, transit and aviation



Letter from Governor Ted Kulongoski

In both 2005 and 2007, I worked with the Oregon Legislature to pass *Connect*Oregon I and II, each providing \$100 million in lottery-bond-based funding to invest in rail, ports and marine, air and transit infrastructure around the state. Our goal: improve connections between the highway system and the other modes of transportation to reduce congestion, improve options, support our economy and enhance our highly-valued way of life here in Oregon.

Both programs have been "fast-tracked" to get funds on the ground and in the hands of Oregonians. I'm pleased as I travel around the state to see the progress being made. Communities are experiencing the benefits of the strategic investments offered by this innovative program.

This publication highlights just a few of these success stories – there are many others, and the future may hold even more. *Connect*Oregon I funded 39 projects; *Connect*Oregon II funded 30 more: each making unique contributions to job growth, traffic flow, and transportation safety, among other benefits.

The \$200 million investment from *Connect*Oregon I and II ensured distribution of projects across the state and among the modes. I encourage you to learn about a few of these projects here, and perhaps visit the ones in your community or nearby so you can fully understand the powerful, positive effect a program like this – requiring partnerships, collaboration, public input and thoughtful dialogue – can have on our great state!



Governor Ted Kulongoski



ConnectOregon Program Overview

What: ConnectOregon, a lottery-bond-based initiative to invest in air, rail, marine and ports, and transit infrastructure, is the first major funding initiative targeted at multimodal (or non-highway) transportation in Oregon. It leverages the significant investments in the highway network (such as Oregon Transportation Investment Acts I, II and III) and the ongoing, Statewide Transportation Improvement Program.

When: The 2005 Oregon Legislature and the 2007 Oregon Legislature approved a total of \$200 million for the program.

Why: ConnectOregon focuses on improving the connections between the highway system and the other modes of transportation for better integration and to improve flow of commerce and remove delays, ensuring Oregon's transportation system is strong, diverse, and efficient.

Who: Oregon firms and agencies, including cities, ports, counties and others, completed applications, which were then reviewed in-depth by stakeholders, transportation experts, and local residents, then approved by the Oregon Transportation Commission, resulting in 69 total approved projects.

Where: Statewide; criteria considered for funding included reduced transportation costs for businesses, economic benefit to the state, jobs retained or created, linkage between modes of transportation and geographic areas, the contribution toward the project by the applicant and whether the project was ready to construct.

How: *Connect*Oregon is helping attract and sustain businesses and jobs in Oregon, ensuring Oregon is connected to the ever-growing global market.

A complete list of all the approved projects is available on the ConnectOregon Web site, www.oregon.gov/ODOT/COMM/CO.

The Oregon Department of Transportation is delivering

On both *Connect*Oregon programs, the Oregon Department of Transportation has been pleased to work with community groups, business leaders, local governments and interested stakeholders to ensure these dedicated funds are allotted wisely, helping all corners of the state build strong foundations for multimodal transportation systems. Our staff continues to administer the program efficiently and effectively, and we look forward to supporting efforts that help make Oregon the place we love to call home.



Matt Garrett, Director

Oregon Department of Transportation

Rail

Prineville Railroad/Freight Depot Economic Redevelopment

A \$2 million *Connect*Oregon I grant and a \$3.5 million *Connect*Oregon II grant will allow the city of Prineville Railroad to expand and upgrade its multi-modal reload, storage and warehouse distribution center. The redevelopment will help provide access for business and

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industry throughout central and eastern Oregon, connecting with all of the region's major transportation types, including rail to truck, truck to rail, rail to tanker and truck to truck. By upgrading the facility's 80-year-old

Project Facts

- Creates estimated 62 construction jobs during redevelopment.
- Creates combined 19 direct and indirect permanent jobs after project.
- Gives customers a competitive edge through this vital link for supplies and products, thus adding value to their products.
- Anticipated completion: June 2010.

staging and cross-docking facilities and building two warehouses and a bulk transfer facility, the Prineville Freight Depot will become the premier transportation provider for central Oregon, enhancing economic development by offering rail service to new industry and encouraging new and expanding businesses in the region.

"The Prineville Freight Depot improvements have allowed us to stay in business and expand our operations. An unload facility with affordable storage and a rail transportation connection from suppliers in Georgia and Florida for our sustainable concrete blocks has allowed our business to thrive..."

Taylor Heydman, Cascade Stone Craft

Albany Rail Corridor Improvement

A \$6.9 million *Connect*Oregon II grant will fund an improvement to the Albany Rail Corridor. The project will reduce bottlenecks and the resulting congestion for the recipient short line railroad, Union Pacific Railroad and Amtrak passenger trains, as well as the motoring public, at several highway-rail crossings in the greater Albany area. The project increases capacity of the Millersburg Yard so that it can become the principal switching and classification facility for the Portland & Western (PNWR) railroad network. Currently, PNWR uses two separate rail yards because neither can handle the total volume of around 116,000 cars PNWR processes annually through this junction.

"The Albany Rail Corridor project exemplifies the value of the ConnectOregon program for economic, environmental and livability reasons. Albany and Benton County will enjoy

a reduction of automobile congestion on major arterials. The rail yard improvements will also make a significant economic difference to local

businesses and will untangle several problems in our region."

Linda Modrell, Chair, Benton County Commissioner



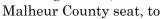
Project Facts

- Reduces bottlenecks for freight and passenger trains resulting in efficiencies.
- Increases competitiveness for businesses.
- Allows businesses to retain a potential 3,000 jobs and increases opportunities for investment.
- Anticipated completion: October 2009.

Aviation

Miller Memorial Airport

ConnectOregon II will provide funding to pave a gravel runway at the Miller Memorial Airport in Vale. Paving the runway will increase the capacity for existing and new business, and it will also allow those traveling to Vale, the



reach their destination directly. An expanded fixed-wing airstrip makes Miller Memorial Airport a viable option for use in inclement weather, natural disasters or other emergency service situations. The project also allows Vale to become a link between other rural airports and a part of the transportation options available statewide. The \$400,000 grant is matched by a 20 percent City of Vale contribution.

"From a public safety perspective, a paved airport runway will be a tremendous asset for search and rescue services, firefighting, and aerial applicators, and it will provide for a safer surface for all aircraft use. The ConnectOregon funds will enable the Miller Memorial Airport to be used for emergency landings and bring about enhanced economic growth opportunities for Vale and the region."

Andy Bentz, Malheur County Sherriff

Project Facts

- Provides direct benefit to Malheur County's agriculture and ranching industries while easing access to government services and recreational opportunities.
- Allows Vale to attract potential business opportunities.
- Provides regional linkages to Boise, Idaho.
- Anticipated completion: January 2009.

Southwest Oregon Regional Airport

ConnectOregon I funds (\$640,000) will aid the Coos County Airport District in constructing an air cargo handling area, portions of a new apron, and runway extension for passengers and freight at the North Bend Airport. Existing staging areas and handling procedures are insufficient, causing local businesses to truck products to Eugene, Portland or Seattle, incurring more cost and sacrificing delivery speed. The project will make the Southwest Oregon Regional Airport a more viable option for handling cargo. Enhancing freight capabilities at the airport will improve the modal connectivity between air, trucking, marine and potentially rail.

"In rural areas, having transportation links is essential

to our well-being. A state commitment to funding projects to keep those systems up and operating is equally critical."

Mike Lehman, Chair Coos County Airport District Board



Project Facts

- Leverages other funds totaling 32 percent of project costs.
- Creates eight construction and 19 permanent jobs.
- Results in increased efficiency and reduced transportation costs.
- Anticipated completion: January 2009.

Marine and Ports

Project Facts

- Includes more than 30 percent match in private funds.
- Creates or retains five permanent positions at the terminal.
- Retains family wage jobs because transportation costs are reduced.
- Completed: February 2008.

Mooring Dolphin Addition at Teevin Terminal

A ConnectOregon I grant of \$223,100 has enabled Teevin Bros. to add four steel mooring dolphins at its terminal in Rainier. The additional dolphins allow barges to safely moor along the terminal, doubling the cargo handling capacity of the wharf. Allowing two barges to load and discharge at the same time can reduce transportation costs by nearly one-third. Shippers and exporters benefit from moving greater volumes of product. In addition,

the project provides for safe moorage for barges during inclement weather. The project also links ocean-barge transportation to riverbarge transportation, and it provides a critical intermodal link between barge, rail and highway modes of transportation.



"...When Teevin Bros. expanded their facility by adding additional mooring dolphins, they became our (Sause Bros.) marine terminal of choice. Having the extra moorage possibilities gives us more flexibility in

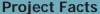
meeting our customers' needs, while improving our efficiency."

Jeff Browning, General Manager, Sause Bros. Inc.

Port of Portland Post-Panamax Crane

The Port of Portland is using a \$7.5 million ConnectOregon I grant toward construction of a postpanamax container crane at Terminal 6. Installation of the crane will allow for faster loading and unloading of vessels that carry more than 4,500 TEUs (twenty-foot equivalent units), resulting in reduced costs to shippers. Oregon shippers will be able to compete and expand participation in overseas markets, a

factor especially important to Oregon-based exporters of agricultural and forest products. Approximately 18 jobs will be created during construction and about 100 retained at the container terminal and intermodal yard following construction. The Port of Portland contributed almost 40 percent of the project costs, and the project leverages extensive development efforts already completed and underway at Terminal 6.



- Contributes to a \$90 million, 10year capital improvement program
- Improves efficiency at Terminal 6, helping exporters and importers remain competitive.
- Anticipated completion: December 2008.



"Cranes are important not only to the success of the Port, but also to the economic vitality of our region. Our container cranes handled \$4.5 billion worth of goods in 2007, and the value of containerized imports through Portland has doubled in the last two years."

> Bill Wyatt, Executive Director Port of Portland

Public Transit

City of Sandy Transit Operation Facility

ConnectOregon I funds contributed toward construction of a field operations facility, consolidating public works and transit operations, including a park-n-ride. As a result, the City of Sandy, Sandy Area Metro (SAM), Wheels and area businesses will save \$281,000 the first year, with savings growing to almost \$1.6 million over the next ten years. The project provides the needed infrastructure to support the city's transit system,

Project Facts

- Created 39 jobs throughout construction.
- Allowed city of Sandy to create and/or retain six permanent positions.
- Completed: July 2008.

connecting people to and from rural and suburban east Clackamas County with the greater Portland area. The \$800,000 grant will be matched with an equal amount of federal and city funds. In addition, the total project will include \$1.5 million in city utility funds.

"We are so grateful for the ConnectOregon grant to help in funding our new Transit Operation Center.
Sandy Transit is a lifeline for many of our citizens, and with this new facility, we are able to serve them more efficiently."

Linda Malone, Mayor of Sandy



Pioneer Parkway Bus Rapid Transit

Lane Transit District (LTD) will expand its bus rapid transit (BRT) system with this \$5.4 million *Connect*Oregon I grant. BRT is an advanced transit design concept that uses rubber-tired vehicles to emulate a light rail system. The grant will be used to construct 14 transit stations to support the new Emerald Express (EmX), a four-mile line from downtown Eugene to downtown Springfield. Completion of the Pioneer Parkway

Project Facts

- Leverages \$25 million in federal funds.
- Construction creates estimated 214 direct and 401 indirect iobs.
- Operations create estimated 1,425 permanent jobs over 20 years.
- Anticipated completion: December 2008.

EmX will create continuous service connecting downtown Eugene, Sacred Heart Medical Center, the University of Oregon, downtown Springfield, the Gateway area and RiverBend. The project will provide linkages among cars,

bicycles, pedestrians, and fixed-route transit, while alleviating congestion on I-5 and local roads and enabling truck traffic to move more efficiently.



"Lane Transit District and PeaceHealth have collaborated to provide employees, visitors and

patients with access to transit services. Users of the Phase 2 EmX bus rapid transit service can rely on faster, more frequent service to access services at Sacred Heart Medical Center at RiverBend."

Philip Farrington, AICP
Director, Land Use Planning and Development
PeaceHealth Oregon Region



Multimodal Projects

new multimodal hub!

Multimodal Transit Consolidation and Improvement - La Grande

ConnectOregon I funds in the amount of \$893,929 will create a one-stop transit hub serving Baker, Union and Wallowa counties. The hub will combine Greyhound, fixed-route, paratransit, taxi, bicycle and pedestrian, park-n-ride, regional connections (including commercial air and excursion rail) and contract services under the same roof. Completing the project breaks the geographic barrier between the region's large light industry employers and those seeking family-wage jobs. It also provides regular connections to education and training resources available through Eastern Oregon University and Blue Mountain Community College. The new transit center is located conveniently to the Union County Senior Center and provides a full range of transit options, making it easier for the elderly to reach medical, professional and social destinations throughout the region. Overall, the project promotes public transit as a viable rural mobility option.

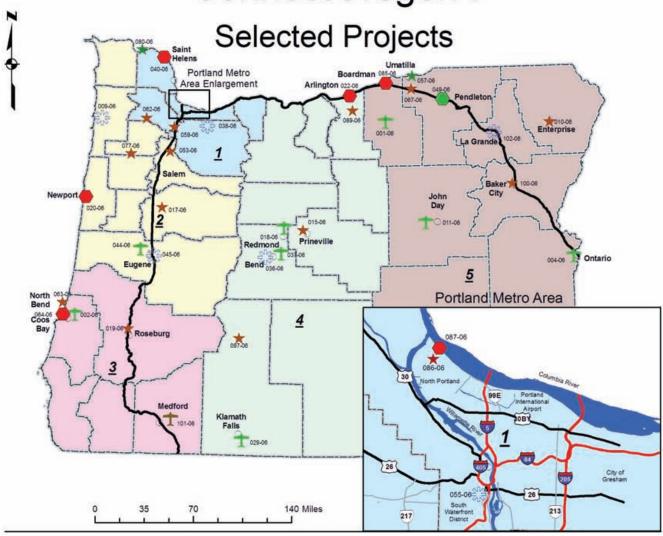
Project Facts

- Provides a direct connection with the Pendleton Airport and Horizon
- Creates a convenient hub for many transit options.
- Links Wallowa County to interstate service provider, Greyhound.
- Completed November 2008.

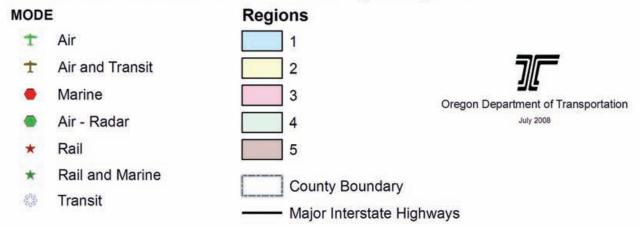
"The success of the project is due to the cooperative effort between Union County and Community Connection of Northeast Oregon, Inc. The ConnectOregon investment will serve the community well for many years."

Steve McClure
Union County Commissioner

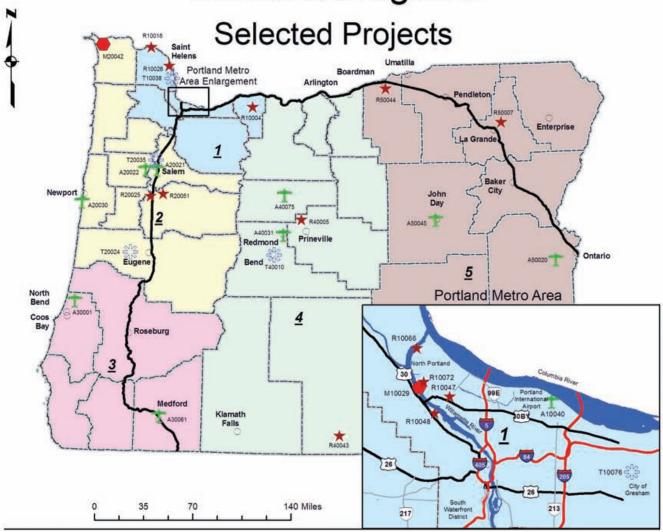
ConnectOregon I



APPLICATION BY MODE Connect Oregon Regions



ConnectOregon II



Connect Oregon Regions APPLICATION BY MODE Regions MODE Air Air and Transit Marine 3 Oregon Department of Transportation Air - Radar July 2008 Rail 5 Rail and Marine County Boundary Transit Major Interstate Highways



Summary of Dollars Allocated in ConnectOregon I and II

| | ConnectOregon I | ConnectOregon II |
|--------------|-----------------|------------------|
| Rail | \$39,115,790 | \$56,625,094 |
| Aviation | \$16,712,229 | \$26,905,916 |
| Marine | \$16,847,300 | \$5,481,680 |
| Transit | \$13,743,929 | \$10,572,000 |
| Multi-Modal | \$11,466,400 | |
| Multi-Region | \$1,615,681 | |

| | ConnectOregon I | ConnectOregon II |
|--------------|-----------------|------------------|
| Region 1 | \$27,274,271 | \$46,146,744 |
| Region 2 | \$19,298,591 | \$22,313,716 |
| Region 3 | \$16,880,000 | \$5,384,000 |
| Region 4 | \$17,584,760 | \$10,625,749 |
| Region 5 | \$16,848,026 | \$15,114,482 |
| Multi-Region | \$1,615,681 | |





For a complete list of *Connect*Oregon projects and more information about the program, visit: www.oregon.gov/ODOT/COMM/CO/.





