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# Oregon Freight Plan

## Executive Summary

August 2011

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**Oregon  
Department  
of Transportation**

## FOR MORE INFORMATION

For more information: [http://www.oregon.gov/ODOT/TD/FREIGHT/FREIGHT\\_PLAN.shtml](http://www.oregon.gov/ODOT/TD/FREIGHT/FREIGHT_PLAN.shtml)

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## FREIGHT MOVES THE OREGON ECONOMY

The freight system is a critical part of Oregon's economy. Goods from Oregon manufacturers, farms and other businesses are constantly moving to markets, and goods are also being delivered to our homes and stores. The movement of freight—the goods that we produce and the goods that we consume—supports the daily functioning of the state's businesses and residents.

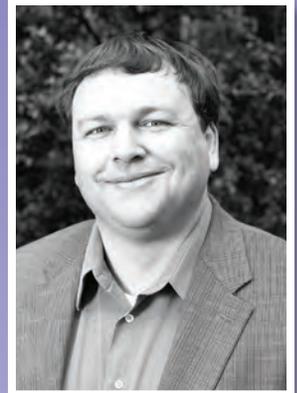
The freight delivery system is made up of many types of infrastructure, called "modes." These modes are made up of roads, rivers, railroads and airspace. They are interconnected, and together form multimodal corridors that run across the state. For the system to function effectively, all parts must be in working condition and free of congestion, since the quick delivery of goods to and from consumers and markets is often dependent on more than one mode (for example, goods that move from a train to ship or from a plane to a truck).

Freight movement is a very competitive business, both nationally and overseas. An efficient freight system means that Oregon businesses are able to compete successfully, increasing the income of Oregon workers and companies.

## FREIGHT'S VALUE TO OREGON

In 2008, freight-dependent industries like manufacturing, agriculture, construction and retail provided the state with 700,000 jobs and generated \$29 billion in personal income.

Because of our location on the Pacific Ocean, Oregon has a diverse set of businesses that depend directly on the freight system's efficient functioning for success. These industries have grown in recent years and employ tens of thousands of Oregonians. In today's economic climate, these businesses will continue to require an efficient freight system if they are to survive and grow.



*"Shortline railroads are a vital transportation link for Oregon business, especially in rural communities. The loss of rail service often limits future economic development opportunities."*

— Toby Van Alvorst, City of Prineville Railroad

### **An efficient freight system = economic success**

- \$16 million worth of cargo moves on Oregon roads each hour of every day
- Oregon ranks 9th in the nation for trade per capita
- In 2009, Oregon's exports totaled \$14.9 billion

The growth of Oregon’s economy and population are likely to increase the demand on the freight system over the next 25 years. In fact, Oregon’s Gross State Product—the value of output of goods and services produced by all Oregon businesses and industries—is expected to grow by 121 percent by 2035. Population is expected to grow by 34 percent over the same time period.

### Freight-dependent industries in Oregon

- *High-value products* (computer and electronics manufacturing; wholesale trade; footwear; apparel and recreation products)
- *General manufacturing* (metals; machinery; food and transportation equipment)
- *Natural resource-dependent industries* (agriculture; forestry; fishing; wood and paper manufacturing)

### FREIGHT MOVES IN MANY WAYS



**TRUCK**

- Flexible
- Large road system provides ability to reach many locations



**RAIL**

- Efficient over long distances
- Moves bulk cargo (large loads) easily
- Rail system is more limited in scope than roads



**RIVER**

- Highly efficient
- Excellent for largest/very bulky loads
- System is limited by existing waterways



**AIR**

- Excellent for high value goods that need to get to market quickly
- Time sensitive
- Weight of loads is limited
- Less fuel efficient

Source: U.S. DOT Maritime Administration

## THE OREGON FREIGHT PLAN: A VISION FOR THE FUTURE

The purpose of the Oregon Freight Plan (OFP) is to “improve freight connections to local, state, regional, national and global markets in order to increase trade-related jobs and income for Oregon workers and businesses.” The plan is a roadmap for the Oregon Department of Transportation, other state and local agencies, and businesses to work together to enhance the system that keeps our economy moving.

The successful freight system of the future will ensure the safety of its users while maintaining a sustainable future—one that supports people, grows jobs and the economy, and protects our natural environment.

### ADDRESSING THE CHALLENGES

Analysis reviewed by freight stakeholders during Oregon Freight Plan development identified a number of current challenges facing the freight system that the Oregon Freight Plan will address. These include:

### SYSTEM OPERATION AND DEVELOPMENT

- Reduce capacity constraints, congestion, and design problems on key highways, roads, railroads, air corridors and rivers that can slow or stop freight movement.



*“If you eat, wear clothes, have furniture in your home, or have a job—you are dependent upon freight movement.”*

*— Glen Vanselow, Pacific Northwest Waterways Association, Portland*

### All parts of the freight system work together

When one part of the freight system shuts down, it directly and immediately affects businesses that need to ship goods. When repairs to one of the Port of Portland ship locks disrupted barge traffic, the Port decided to help. The Port assisted businesses by providing for trucks that enabled goods to reach markets using the roads, bypassing the ship lock until it was repaired.



*“For Oregon to be a vibrant state and for our communities to be successful, it is essential that we have a freight system that moves goods efficiently.”*

— Shirley Kalkoven,  
Mayor of Nehalem

- Decrease the amount of unreliable travel time on roads that access major freight facilities (such as ports), which can disrupt freight movement and create uncertainty about products reaching businesses and customers on time.
- Ease the shipment of large loads throughout the state that can cause connectivity issues for key businesses such as wind farms and mobile home manufacturers.
- Develop best practices for integrating freight movement and land uses in urban areas. This will be done in a way that minimizes the impact on surrounding neighborhoods and the natural environment.
- Protect and increase the supply of industrial land for future freight uses. A lack of necessary land use protection to maintain industrial lands near freight corridors may threaten the viability of the strategic freight system.

## **SAFETY**

- Identify alternative routes and modes in cases of emergencies and other threats. Using that information, create an emergency transportation system map that would be flexible enough to be used when a single mode is disrupted or when entire portions of the system are affected.

## **COMMUNICATIONS**

- Create more opportunities for positive interaction between freight industry representatives and community stakeholders, including involving communities in long-range planning.



- Partner with neighboring states to enhance the efficiency, reliability and safety of the freight system throughout the region.

## ENVIRONMENTAL CONSIDERATIONS

- Assist the freight industry with new and emerging safety, security and environmental regulations.
- Reduce freight emissions that contribute to climate change and negatively affect human health.

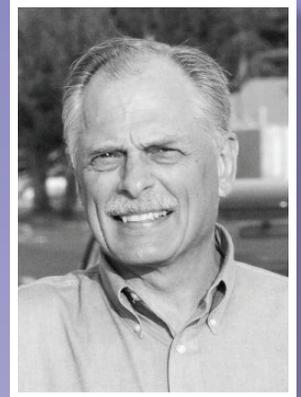
## FUNDING

- Prioritize limited state funding to improve the freight system.
- Address the lack of a continuous source of freight funding which makes planning and implementing freight projects challenging.

### Implementation of the Oregon Freight Plan

Some actions to improve the freight system include:

- Identify and communicate the location of bottlenecks to infrastructure owners and stewards.
- Acquire freight system stakeholder input on the bottlenecks in the freight system.
- Work with cities and counties to consider the freight system in transportation planning.
- Develop performance measures to help make choices about where to invest.
- Continue discussions with stakeholders and the public to identify funding sources for Oregon's transportation system.



*“More so than in most states, in Oregon, efficient transportation of goods is essential to strengthening the economy and producing jobs.”*

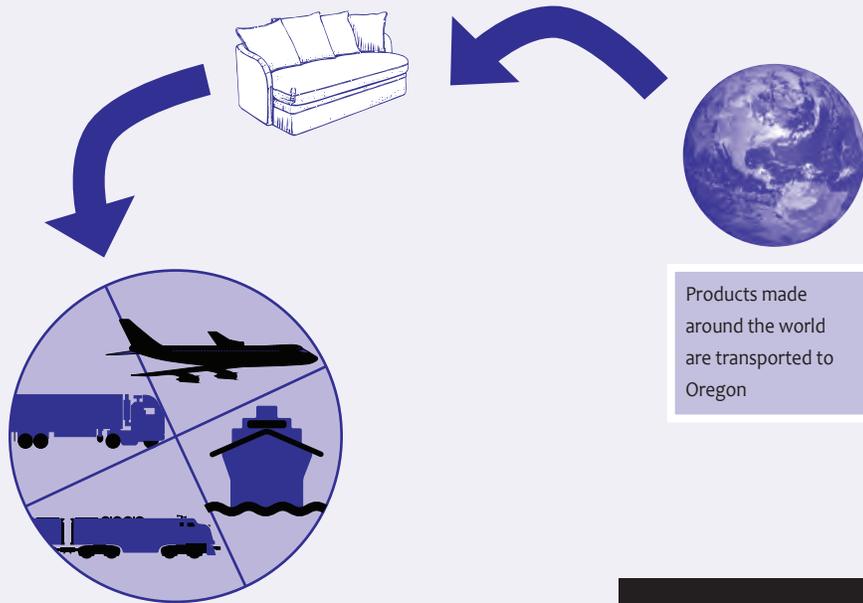
— David H. Lohman,  
Oregon Transportation  
Commission



*“Just like you can’t make a phone call without the network and infrastructure needed to transmit your voice, you can’t conduct business without a dependable network and infrastructure to transport your product. Efficient freight mobility enables access to domestic and international markets which is critical for economic sustainability.”*

*— Bill Wyatt, Port of Portland*

## FREIGHT: A CRITICAL PART OF INBOUND FREIGHT

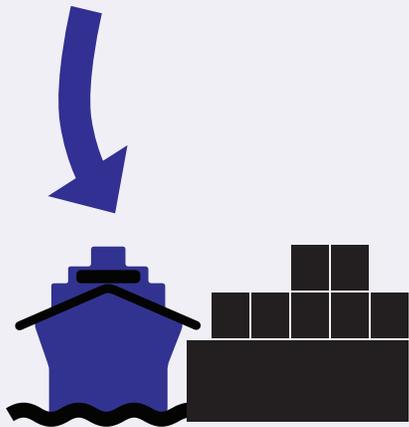


Products made around the world are transported to Oregon

These goods get here by truck, plane, boat and train



Delivered goods fill store shelves



They pass through our Ports and Distribution Centers



Goods travel to local stores



# THE OREGON ECONOMY

## OUTBOUND FREIGHT



Oregon companies and workers grow products



Plants shipped primarily by truck and rail



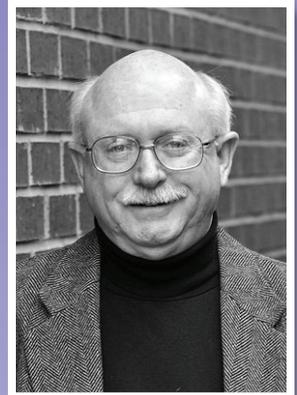
People enjoy products in their homes



### RETAIL NURSERIES, HOME SUPPLY STORES



Oregon products sold in stores



*“The Freight Plan provides a forward-looking, comprehensive framework to explore available options to ensure the efficiency of freight movement.”*

— Mike Montero,  
Montero & Associates,  
Medford



*“The efficiency of the freight network will determine the types and numbers of jobs in Oregon.”*

— Mike Card, Combined Transport, Central Point

## STRATEGIES FOR SUCCESS

The Oregon Freight Plan outlines a number of strategies for ODOT and other governmental agencies to use in order to address these issues. These strategies include: revisiting the existing processes and criteria for critical investment decisions; describing how the system should be preserved; and establishing procedures to ensure the system operates efficiently.

In addition, the OFP calls for identifying actions needed to better coordinate land use and transportation planning decisions; describing how regulatory programs can be coordinated with freight transportation needs; and describing approaches to address the system’s long-term funding needs.

## IMPLEMENTATION

In order for the Oregon Freight Plan to be successfully implemented, it must be coordinated with the overarching guidance provided by the Oregon Transportation Plan. The OFP will support the Oregon Transportation Plan’s key initiatives through:

- Seeking input from stakeholders and the public as well as federal, state and local advisory committees.
- Coordinating among and between ODOT business units as well as with other federal, state and local agencies.
- Developing coordinated transportation system plans on a state and local level.

### Moving freight and helping the economy

In 2004, the once-thriving City of Prineville Railway was nearly defunct. Instead of moving 10,000 rail cars of goods each year, the railway was only handling 84 rail cars.

Recognizing the economic value of the railway, the City of Prineville applied for a ConnectOregon grant, a lottery-based initiative that funds transportation projects. The buildings and depot at the rail yard were expanded and modernized. Today, the City of Prineville short line railroad serves over 22 business customers. The state and city’s investment has also helped attract large employers to the area, creating local jobs.

## DEVELOPMENT

The Oregon Freight Plan was developed in a collaborative manner by representatives of diverse groups from across the state. These included the Oregon Transportation Commission and representatives from the freight industry, and staff from regional and local governments.

## STEERING COMMITTEE MEMBERS:

David Lohman, Oregon Transportation Commission

Mike Burton, Director, Affiliated Tribes of NW Indians

Scott Cantonwine, President and CEO, Cascade Warehouse

Mike Card, Heavy Haul Manager, Combined Transport

Gary Cardwell, Divisional Vice President of Operations, Northwest Containers Inc.

Peter Kratz, Executive Vice President of Operations, Harry & David

David Kronsteiner, Port Commission President, International Port of Coos Bay

Susie Lahsene, Manager, Transportation and Land Use Policy, Port of Portland

Robin McCarthur, Director of Planning and Development, Metro

Linda Modrell, County Commissioner, Benton County

Mike Montero, Partner, Montero & Associates

Brock A. Nelson, Director of Public Affairs, Union Pacific Railroad

Mike Noonan, President, Oregon Wheat Grower's League

John Porter, President, AAA Oregon-Idaho

Bob Russell, Vice President of Government Affairs, Oregon Trucking Associations

Tom Zelenka, Vice President, Environmental and Public Affairs, Schnitzer Steel Industries, Inc.

### OTP key initiatives

The Oregon Transportation Plan has several key initiatives for maximizing the efficiency and effectiveness of Oregon's transportation infrastructure. These initiatives support many of the strategies and actions in the Oregon Freight Plan. They are:

- Develop a "triage" method for investing available funds.
- Optimize system capacity and safety through information technology and other methods.
- Integrate transportation, land use, economic development and the environment.
- Integrate the transportation system across jurisdictions, ownerships and modes.
- Create a sustainable funding plan for Oregon transportation.
- Invest strategically in capacity enhancements.





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