



# Connect Oregon

## Program Overview

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# Program Overview

Prior to current cycle

- Connect Oregon is an initiative established by the 2005 state legislature to invest in non-highway modes of transportation.
- 7 competitive cycles between 2005-22
  - Over \$463 million awarded
  - 242 projects awarded
- Most recent cycle ran from 2021-22
  - \$46 million in funds awarded - \$130 million requested

Program unique to Oregon – no federal Funding

# Connect Oregon 8 Status

- Oregon Transportation Commission selected projects in May 2022
- 21 projects selected
  - 14 projects on schedule
  - 4 complete, closed out/pending close out
  - 2 expected complete before end of year
  - 1 canceled

Most projects to be completed by Summer 2025

# Next Cycle Key Facts

Transportation projects eligible for funding

Rail, marine or aviation capital improvements

Projects chosen must show economic benefits to state; lower transportation costs

~\$46 million available for funding

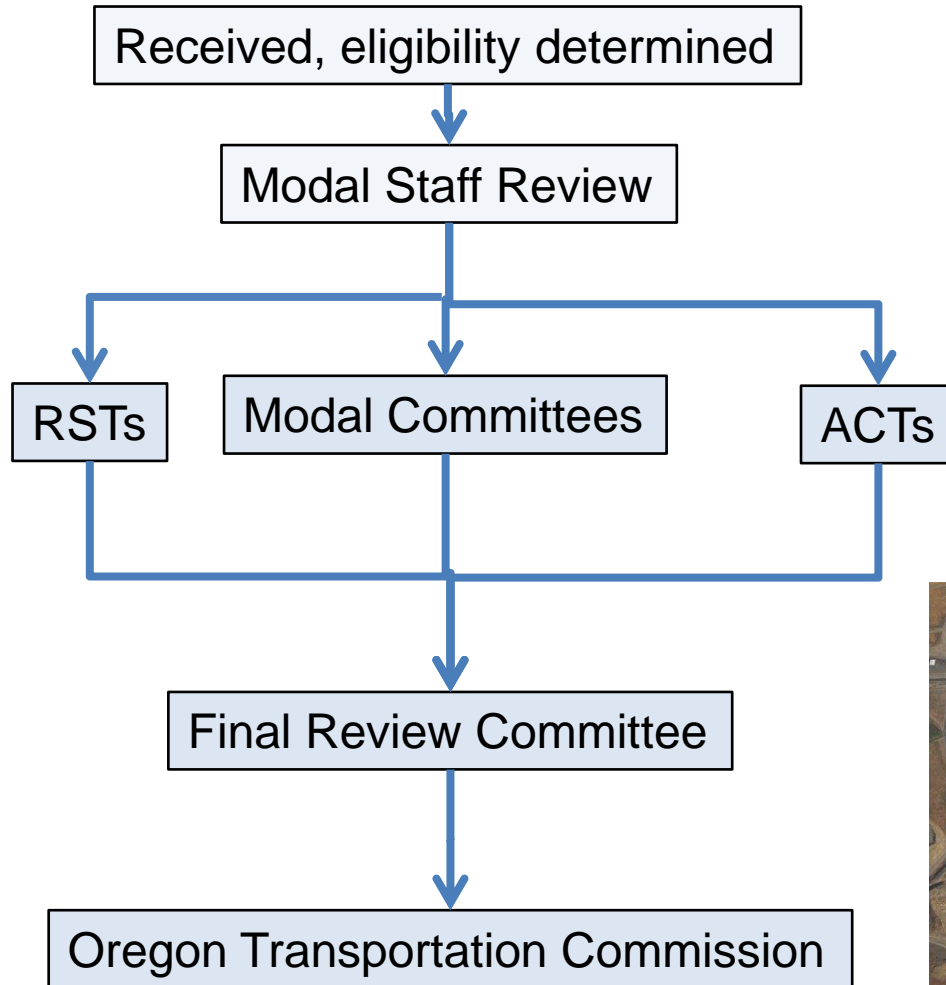
Applications will be due late February 2024



ConnectOregon 9



# Review process



OTC anticipated to select projects in October 2024



# Committee Ranking Projects



- Can receive presentations and have Q&A with applicants provided opportunity provided for all
- Committees not beholden to staff scoring of applications
- Projects to be prioritized by Committees view on their advancing statutory considerations





# Decision Considerations

## Statutory

- **Access to jobs/labor; reduced transportation costs\***
- **Economic benefits to state\***
- **Critical link for system\***
- Required match
- **Readiness\***
- Useful life
- Proximity to mining aggregate

**\*More weight in considerations in staff scoring**



**NEW:** Additional considerations for breaking ties among close scoring projects; geographic mix, equity and climate/GHG impacts



# Committee Ranking Projects, continued

- Each project should be weighed on its own merits and benefits
- Committee members should bring their local knowledge of how a project would fit into the broader system
- No minimum/maximum project size, or minimum/maximum \$ amount for a given mode/region





# Final Rankings for a Region

- List from each Region is the result of deliberation of ACTs
- Example below shows where Region's rankings differed from modal staff scoring:

| APPLICANT                            | PROJECT NAME   | TOTAL PROJECT COST | CO GRANT FUNDS REQUESTED | Total Statutory Consideration Score | Equity Consideration | Climate Consideration | Region Priority |
|--------------------------------------|--|--------------------|--------------------------|-------------------------------------|----------------------|-----------------------|-----------------|
| ODOT                                 | Project Selection, Administration, and Debt Service      | \$ 500,000.00      |                          |                                     |                      |                       |                 |
| City of Bend                         | Bend Air Traffic Control Tower (Design and Construction) | \$ 7,500,000.00    | \$ 4,875,000.00          | 103                                 | SP                   | SP                    | 1               |
| Lake County                          | Lake County Rail Replacement                             | \$ 1,294,000.00    | \$ 892,860.00            | 91                                  | LP                   | LP                    | 2               |
| Klamath Northern Railway Company     | Klamath Northern Railway Track Replacement               | \$ 2,250,000.00    | \$ 1,575,000.00          | 62                                  | NP                   | LP                    | 3               |
| City of Madras                       | Erickson Aero Tanker Expansion Project                   | \$ 14,373,755.00   | \$ 3,400,000.00          | 76                                  | SP                   | SP                    | 4               |
| City of Klamath Falls                | Klamath Falls Regional Airport Reconstruct Runway 7-25   | \$ 10,826,000.00   | \$ 550,000.00            | 99                                  | SP                   | SP                    | 5               |
| Basin Fertilizer & Chemical Co., LLC | Basin Fertilizer & Chemical Co., LLC Siding Extension    | \$ 2,688,930.00    | \$ 1,344,465.00          | 79                                  | LP                   | SP                    | 6               |
| Wilsonart LLC                        | Wilsonart Rail Expansion                                 | \$ 1,410,000.00    | \$ 987,000.00            | 54                                  | NP                   | LP                    | 7               |



# Final Review Committee

- 1 representative from each Region with one alternate to serve on Final Review Committee
  - 9 total; 5 from Regions, 4 from Modal Committees (Aviation, Marine, Rail and Freight)
- Rankings from the Regions are then blended with Modal Committee ranking – must be normalized first
  - E.g. Ranking 4 out of 12 is a higher ranking than 4 of 8.
- Final Review Committee to take inputs from all ACTs/committees, focus on the projects near the “cut line”



# Final Review Committee – Combined Example

| APPLICANT                       | PROJECT NAME  | Total Statutory Consideration Score | Aviation Priority | OFAC Priority | Rail Priority | Marine Priority | Region Priority | Space | Aviation Priority | OFAC Priority/ | Rail Priority | Marine Priority | Region Priority | Committee Ranks Combined and Normalized | Combined Committee Rankings Starting Order - |
|---------------------------------|---|-------------------------------------|-------------------|---------------|---------------|-----------------|-----------------|-------|-------------------|----------------|---------------|-----------------|-----------------|---|--|
|                                 |   |                                     | 18                | 33            | 21            | 9               | Varies          |       |                   |                |               |                 |                 |   |  |
| Dominguez Family Enterprises    | Juanita's Fine Foods Spur Track Replacement                         | 101                                 |                   | 1             | 1             |                 | 1               |       |                   | 0.00           | 0.00          |                 | 0.00            | 0.000                                   | 1  |
| Jackson County                  | Medford Airport East Side Heavy Duty Aircraft Apron Expansion       | 106                                 | 1                 | 2             |               |                 | 1               |       | 0.00              | 0.03           |               |                 | 0.00            | 0.009                                   | 2  |
| City of Eugene                  | Eugene Airport - Widening Taxiways Juliet & Lima to Air Cargo Apron | 96                                  | 2                 | 7             |               |                 | 1               |       | 0.05              | 0.18           |               |                 | 0.00            | 0.078                                   | 3  |
| Wyoming Colorado Railroad, Inc. | Oregon Eastern Railroad 286k Upgrade Phase 2                        | 99                                  |                   | 8             | 2             |                 | 1               |       |                   | 0.21           | 0.05          |                 | 0.00            | 0.087                                   | 4  |
| City of Bend                    | Bend Air Traffic Control Tower (Design and Construction)            | 103                                 | 5                 |               |               |                 | 1               |       | 0.22              |                |               |                 | 0.00            | 0.109                                   | 5  |
| Pacific Recycling               | Pacific Recycling Spur Track Expansion                              | 101                                 |                   | 6             | 5             |                 | 2               |       |                   | 0.15           | 0.19          |                 | 0.07            | 0.138                                   | 6  |

## Normalization Formula

$$X_{\text{normalized}} = \frac{(X - X_{\text{minimum}})}{(X_{\text{maximum}} - X_{\text{minimum}})}$$



# Final Review Committee – Projects near cut line

- FRC to focus only on projects near the funding cut line
- Highest ranked projects totaling 2/3 of available funds won't be considered for removal for funding
- Lowest ranking projects totaling 1/3 of available funds just below the cut line could be moved up
- FRC is intended to put the final touches on the work already done by ACTs/Modal Committees – not put everything back on the table



# Example of projects that FRC would discuss

| PROJECT NAME | TOTAL PROJECT COST | CO GRANT FUNDS REQUESTED | Running Total \$ |
|--------------|--------------------|--------------------------|------------------|
| Project 13   | \$ 9,826,000.00    | \$ 3,000,000.00          | \$25,699,027     |
| Project 14   | \$ 989,000.00      | \$ 692,300.00            | \$26,391,327     |
| Project 15   | \$ 4,692,000.00    | \$ 250,000.00            | \$26,641,327     |
| Project 16   | \$ 21,061,758.00   | \$ 13,900,000.00         | \$40,541,327     |
| Project 17   | \$ 3,000,000.00    | \$ 2,100,000.00          | \$42,641,327     |
| Project 18   | \$ 221,900.00      | \$ 155,330.00            | \$42,796,657     |
| Project 19   | \$ 7,277,778.00    | \$ 727,778.00            | \$43,524,435     |
| Project 20   | \$ 2,490,000.00    | \$ 1,693,200.00          | \$45,217,635     |
| Project 21   | \$ 1,400,000.00    | \$ 980,000.00            | \$46,197,635     |
| Project 22   | \$ 2,250,000.00    | \$ 1,575,000.00          | \$47,772,635     |
| Project 23   | \$ 14,373,755.00   | \$ 3,400,000.00          | \$51,172,635     |
| Project 24   | \$ 1,062,698.40    | \$ 722,634.91            | \$51,895,270     |
| Project 25   | \$ 3,964,000.00    | \$ 1,775,000.00          | \$53,670,270     |
| Project 26   | \$ 1,080,000.00    | \$ 756,000.00            | \$54,426,270     |
| Project 27   | \$ 145,000.00      | \$ 100,000.00            | \$54,526,270     |
| Project 28   | \$ 856,120.71      | \$ 590,723.29            | \$55,116,993     |
| Project 29   | \$ 10,134,612.00   | \$ 7,094,228.00          | \$62,211,221     |
| Project 30   | \$ 32,135,000.00   | \$ 22,494,500.00         | \$84,705,721     |

