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February 19, 2013

Senate Business and Transportation Committee  
Oregon State Legislature

## Support for SB 260

Mr. Chair and Members of the Committee:

For the record, I'm Rob Didelius, here on behalf of Lake Railway in Lakeview, Oregon. The *ConnectOregon* Program has invested public funds in Lake County's railroad in recent years. This grant funding has greatly supported economic development and employment, both in Lake County's rural communities and also statewide. Though geographically isolated, Lake County has abundant natural resources, making a rail link vital to the region's economy.

A perlite mining and lumber mill are the county's major private employers, and each depends on the railroad to provide consistent service to get their products to market. Due to Lake County's location far from the state's ports and industrial centers, rail transport is the only cost-effective means of shipping perlite and lumber. These industries are steadily growing, employ a large percentage of the community, and comprise a large portion of the county's tax base.

In order to provide consistent rail service to the community, Lake Railway (the contract operator of Lake County's railroad) has significantly invested in rehabilitating and upgrading the railroad infrastructure. This means repairing dilapidated parts of the track, originally built in the 1930s, and also installing larger rail to support the bigger, heavier railcars used by modern railroad shippers. *ConnectOregon* funds supplement the railroad's track repair/upgrade budget to pay for this public infrastructure investment.

In addition to providing cost effective transportation vital to local employers in Lake County, Lake Railway hires local locomotive engineers and track maintenance technicians and uses local equipment dealers, repair shops, and hardware stores. The railroad also has an impact on the entire state's economy by buying steel, ties, rail car parts, and other railroad material from suppliers in the Willamette Valley. Lumber and perlite shipped out of Lakeview passes over other railroads in the state before ending up at factories and ports in Western Oregon.

*ConnectOregon* funding is money well spent providing immediate economic stimulus to both rural and urban Oregon, while developing publically-owned transportation infrastructure that will support future growth.

Please vote "yes" on SB 260. Thank you for your consideration, and I'll be happy to answer questions. Lake Railway is a member of the Oregon Rail Users' League (ORULE).

Rob Didelius  
Lake Railway