



OREGON
ASSOCIATION OF
NURSERIES

**Oregon Association of Nurseries
Supports House Bill 2800,
Funding for I-5 Columbia River Bridge Replacement**

The Oregon Association of Nurseries supports House Bill 2800 which authorizes funding from the state of Oregon for the I-5 Replacement Bridge over the Columbia River. The nursery and greenhouse industry became Oregon's first \$1 billion agricultural commodity, in terms of value generated, during 2007. This number does not include Christmas Trees – when combined push our economic footprint to \$1.2 billion a year.

OAN supports the funding and building the I-5 Bridge Replacement Project. We support efforts that encompass a long-term vision and investment on transportation because it serves as a cornerstone of sustained economic growth. Choke points within the Portland Metropolitan area are having impacts on the economy and ecology. Freight does not care who owns the roads, it only cares about getting through. The time is now to move forward on this project, which relieves congestion and ultimately moves toward reducing greenhouse emissions.

Real costs to get product to market

Freight mobility and the price of congestion have real economic impacts. In some areas, it is taking 3 or 4 trucks to provide the service that one truck used to provide. We care when major ocean carriers have cancelled their inland delivery of their equipment to larger urban areas in the Midwest. As a result intersections and access points become more stressed and the integrity of basic infrastructure is vulnerable to breakdown. Our industry is not configured to make use of rail – we are seeking to remedy that issue. However Rail is operating at close to full capacity and doesn't appear to open immediate relief.

Oregon is the third largest nursery state in the country. We export over 75% of our nursery stock outside of the state's borders. Freight mobility is of the highest importance.

It is not only essential to the success of our industry but is also a major cost of doing business – transportation costs. Take for example an Oregon grower who ships \$15,000 worth of plant material to a retailer in New York. When transportation costs were \$3,500 to \$4,000 instead of the current \$7,000, the economics made sense to the customer. While Oregon is known as a top nursery state due to the quality and diversity of material we grow, these increased transportation costs are forcing our customer base to look to competitors in states such as Ohio and Georgia.

Exporting our products is only half the battle as trucks first need to deliver products to Oregon. Freight is a two way street. As congestion continues to mount we become less attractive to freight haulers. The result is increased shipping costs and less reliability. This is one of the reasons the OAN launched Advantage Oregon, a grower based effort to lure more trucks to the state.

Freight mobility is essential

Many do not realize it can take between 2-5 hours labor to load a semi-truck. If a truck is late due to congestion, it is very problematic from a labor perspective. Growers are faced with empty loading docks, workers scheduled to arrive during a window of time to load the plant material and when missed, the delay could result in finishing the next day – again adding to costs. Additionally, congestion can take away from valuable trucking time and force time limitations on the drivers. Agricultural loading docks are not clustered like industrial parks; rather they are located on the nurseries and farms. So it is essential that state and regional policy makers look at transportation systems but what effect growth decisions will have on county and local roads that serve a community and the agricultural industry.

Columbia River Crossing

The I-5 Bridge Replacement represents a significant public investment toward resolving congestion issues facing Interstate 5. While issues of carbon emissions, impacts of truck traffic on global warming, and priority multi-modal transportation initiatives garner attention – addressing core problems facing a critical trade corridor is essential. Many can, and have, argued that the Bridge Replacement is not necessary. OAN supports the Bridge Replacement Project, we see the need to resolve long-term regional problems for future generations. The economics of freight is one that the nursery industry faces every day. There are consequences of doing nothing – the region may face limitations for workforce access, congestion creeping into non peak travel times, and the cost of fuel and availability of trucks to shipping dependent Willamette Valley industries.

Conclusion

Overall, Oregon agriculture generated \$4.9 billion in value during 2007, with nursery and greenhouse products making up more than 20 percent of that. We are a natural economic cluster that is heavily dependent on getting product to market. We encourage this committee to support funding the I-5 Bridge Replacement Project.