



## 78<sup>th</sup> Oregon Legislative Session - 2015 House Bill (HB) 2279

The Coos Bay rail line corridor, owned by the Oregon International Port of Coos Bay (Port), begins in west Eugene, a few yards west of where Danebo Ave. crosses the rail line, and then continues on through western Lane County, western Douglas County to end-of-track near Coquille in Coos County.

The Port is able to enter into a variety of agreements for non-railroad use of the corridor by securing road crossing and utility crossing agreements with interested users. These users most often consist of private-property owners wanting to access parcels of land by applying and paying for a crossing agreement and the paying for the development and upkeep of the crossing. Public at-grade crossings of the rail line are secured and maintained by public entities such as the state, counties, cities and other public agencies. There is no charge for public at-grade road crossings. A variety of utility providers also maintain crossing agreements for water and sewer lines, overhead power lines and similar infrastructure. The Port contracts out to a firm in Florida – IMG Rail Services – to manage all crossing agreements and implement new ones when needed. IMG performs similar services for a number of railroads, large and small.

However, one of the firms which previously had a corridor use agreement, Frontier Communications, is refusing any attempts on the part of IMG to bring their use agreement up to a market rate. Discussions have been ongoing for many months, but little progress has been made. Frontier is claiming that they should be able to use the rail corridor “free of charge” for communications infrastructure as they believe the port is an “instrumentality” or agency of the State of Oregon. Moreover, Frontier believes this entitles it to maintain its communications service lines, fixtures and facilities free of charge.

It is the Port’s position that the rail line is owned by the port district, but that the port district is not an instrumentality of the State of Oregon other than the defined actions regarding the appointment of port commissioners. It is a port district organized and governed by ORS 777, including some specific references to the Oregon International Port of Coos Bay (ORS 777.915-.990). The Port seeks clarification of ORS.368.001 to exclude appropriate property owned by the Port of Coos Bay and other non-state public entities. **HB 2279** would help alleviate this issue by applying the definition of “state government” to clarify its meaning relating to utility access to lands that belong to the state.

Questions? Please contact Matt Markee at (503) 378-0412.