



Office of Oregon  
Governor Kate Brown

December 28, 2016

RE: Request for Oregon's infrastructure priorities

Tiffany Shackelford, Director of Communications & Strategic Planning  
National Governors Association  
444 North Capitol St NW #267  
Washington, DC 20001

Dear Ms. Shackelford:

Please extend to President-elect Trump's transition team Governor Kate Brown's appreciation for the interest and opportunity to highlight major, shovel-ready infrastructure projects in Oregon in need of federal investment. The projects described here and outlined in the attached document not only are direct job creators, they will generate significant economic activity in both urban and rural parts of the state, contribute to a thriving national economy, and support a revitalized era of U.S. manufacturing and innovation. They are also responsive to the criteria outlined in the request and meet the national interest for public safety emergencies.

#### **Transportation – Seismic & Congestion Improvements**

Oregon's transportation system is the backbone of our economy and supports the \$300 billion in commodities that move into, out of, and through the state. In fact, 74 percent of all international trade goods transported in Oregon is carried by freight trucks, which is expected to increase by 60 percent in overall volume by 2035. Yet, as freight demands increase and Oregon's population grows, our transportation infrastructure is challenged to keep pace. Increasing the capacity of Oregon's transportation system, while simultaneously upgrading the seismic resilience of our bridges and highways, are high priorities for the state. A significant investment in transportation infrastructure will move Oregon forward by ensuring goods get to market efficiently and support family-wage jobs and local economies, particularly for our communities in rural parts of the state.

#### ***Seismic Improvements***

The Pacific Northwest faces a looming, catastrophic seismic event that will devastate communities throughout our state and cripple Oregon's robust, trade-dependent economy, causing ripple effects to regional markets and America's economy for decades. An earthquake of

magnitude 9.0 or greater along the Cascadia Subduction Zone, which runs just miles off our coastline, will hit Oregon hard. It is not a question of if, but when.

If we fail to act now to plan and prepare, and without continued federal support, the expected Cascadia earthquake and ensuing tsunami will cause the widespread disruption of Oregon's transportation system, making rescue operations nearly impossible, long-term recovery challenging, and causing sizable economic losses estimated at \$355 billion over the following seven years. Fortunately, Oregon has a plan and is ready to get to work to build a resilient infrastructure network to support a strong economy and thousands of family-wage jobs.

Oregon's top infrastructure priority is the \$900 million, Phase 1 completion of the Seismic Plus plan to seismically retrofit 122 bridges, retrofit and rehabilitate an additional 58 bridges, and mitigate 64 critical unstable slopes. This effort is a top priority for Governor Brown and will lessen economic losses from the Cascadia earthquake by an estimated 24 percent, reducing the immediate impact by \$84 billion. Additionally, U.S. 97 – the only major north-south freight route east of Oregon's Cascade Mountains requires a \$100 million investment to preserve this vital disaster recovery corridor after a Cascadia Subduction Zone earthquake. U.S. 97 is also a key regional freight corridor, and this safety enhancement project will expand capacity to improve freight mobility through central Oregon.

### ***Congestion Mitigation***

We are also ready to get to work to increase the capacity of our statewide highway system. The 2016 report issued by the *Governor's Transportation Vision Panel* found communities in every corner of our state are facing tremendous challenges with Portland-area congestion and bottlenecks statewide. This is slowing commuters and freight movement up and down the I-5 corridor and posing a serious roadblock to a thriving Oregon economy. Oregon agricultural producers and manufacturers are struggling to get their products to market reliably as congestion worsens, and strategic highway enhancement and safety projects will strengthen Oregon's competitiveness and help spur economic growth.

A \$450 million investment in operation enhancements on I-205, along with a \$100 million to make improvements on OR 217 will enhance freight mobility, improve safety, and reduce congestion throughout Oregon. Capacity along 1-205 will increase from the Abernethy Bridge to the Stafford Road Interchange, and the expansion of OR 217 will facilitate a freer flow of freight and local traffic alike. These improvement projects will jump-start Oregon's economy, create thousands of new jobs for Oregonians, and support the domestic manufacturing industry.

### ***Water Infrastructure for Agriculture, Communities and the Environment***

Building a modern and resilient water infrastructure system is also key to a thriving Oregon economy. Rural water infrastructure is critical not only for the health and well-being of Oregonians, it is necessary to support rural economies by creating and growing businesses and manufacturing. The costs of upgrading decades-old water infrastructure are often out of reach for smaller communities to address simply on rate increases and loans alone. A 2016 study by the League of Oregon Cities estimates municipal water infrastructure needs at \$7.6 billion.

Oregon's population is expected to increase by 25 percent by 2035, and the *2015 Water Demand Forecast* estimates the need for an additional \$1.1 million acre-feet of water per year for agricultural uses by 2050. While no systematic cost estimate has been prepared, statewide costs for irrigation infrastructure will be in the billions of dollars. Upgrading to newer, more efficient water infrastructure requires financing at a scale not readily available in rural communities, limiting opportunities for economic growth and leaving rural communities more vulnerable to drought. Investing in water infrastructure will support growth of communities and businesses and help restore Oregon's fisheries and natural environment.

### ***Improving Irrigation Infrastructure***

Across Oregon, local irrigation districts are working with cities, tribal governments, federal agencies, state agencies and non-governmental organizations on projects to improve water conservation and supply, allow growth of communities and businesses, and help conserve endangered species. For example, in northeastern Oregon, the Northeast Oregon Water Users Association is aggressively pursuing water development projects to increase water supplies and reliability for agricultural producers in the Umatilla area. In southwestern Oregon, the Water for Irrigation, Streams, and Economy (WISE) effort is spearheading planning studies to identify projects to increase stream flows, improve water supplies for irrigation districts and municipalities, and improve clean water for healthier fisheries and people's health.

The Deschutes Basin Irrigation Project included in Oregon's priority list will modernize irrigation infrastructure and could help mitigate issues related to endangered species and provide more water to local, area farmers. According to the Bureau of Reclamation, the Deschutes Project supports revenues of \$108 million per year in irrigated crops and 220,000 annual recreation visits valued at \$9 million. Several other irrigation projects are in development statewide, and we look forward to presenting additional projects for consideration in the future.

### ***Levees***

Many of Oregon's 333 miles of levees are also in serious need of infrastructure improvements to protect local communities and meet new Federal Emergency Management Agency safety and accreditation standards. While improvements are costly and could exceed \$18.4 million per levee or \$3.9 billion statewide, federal funding to bring Oregon levees up to current safety standards will get more shovel-ready levee projects off the ground, which will generate an estimated \$16 billion in overall annual economic activity, provide critical safeguards to communities, and can save millions in federal and state disaster recovery funding.

### ***Broadband***

Reliable, accessible, and affordable broadband infrastructure is a key component of community infrastructure, enabling innovation and new opportunities in education, health and economic development. Yet many schools and communities throughout Oregon are being left without access to broadband infrastructure. This is particularly true in rural Oregon where nearly 25 percent of K-12 schools lack adequate broadband access. Communities who find themselves on the wrong side of the digital divide struggle to recruit and retain businesses, provide quality education, and deliver healthcare innovations. To bridge this divide, Governor Brown, Oregon legislators, and stakeholders throughout the state have developed a plan to bring affordable

broadband service to schools, libraries, and community centers in rural and underserved communities across the state.

The plan targets 30 of Oregon's 36 counties that have significant broadband infrastructure needs, and which have been unable to attract sufficient investment in high-speed Internet infrastructure at affordable rates. Once completed, Oregon's broadband modernization project, estimated to cost \$80 million, will provide affordable, middle mile internet services on some 1,000 miles of broadband fiber to rural communities and advance innovation and economic development across the state.

On behalf of Governor Brown and the State of Oregon, thank you again for this opportunity to highlight critical, shovel-ready infrastructure projects that, if funded, will drive significant economic activity, create thousands of jobs, and move Oregon forward. Oregon has many other meritorious infrastructure priorities we are interested in pursuing with the federal government but did not provide here as they do not meet the outlined criteria.

We welcome the opportunity to discuss these projects and hope our shared interest in investment in public infrastructure will create great dividends for Oregonians and the American people. If you have additional questions, please contact me directly at 202-508-3847 or Karmen Fore, Director of Federal/Regional Affairs, & Transportation for Governor Brown, at 503-986-6531.

Sincerely,

Drew Johnson  
Director of D.C. Office of Governor Kate Brown