



June 12, 2017

Committee staff for the  
Joint Committee on Ways and Means  
Sub Committee on Transportation and Economic Development  
<mailto:jwmtr.exhibits@oregonlegislature.gov>

RE: Senate Bill 256

Dear Oregon Legislators,

We at Wilsonville Concrete Products (WCP) would like to provide our strong support for Senate Bill 256 to establish the Willamette Falls Locks Commission. We also agree with the amendment supported by the Willamette Falls Locks Working Group (WFLWG) to expand the membership of the Commission and reduce the fiscal impact. The Willamette Falls Locks is a valuable asset that affects many people in our community and has economic, historical, cultural and recreational values.

Our company, which barges sand and gravel, was dramatically impacted by the closure of the locks. This has been a major economic impact on our company as well as our employees and their families.

In addition, it has been shown in several studies that there is long-term economic benefit from the repair and reopening of the Locks and the re-opening can provide many future opportunities.

### Financial Impacts on Wilsonville Concrete Products

The impact to our companies (which includes Wilsonville Concrete Products and Marine Industrial Construction) has been dramatic. The locks closure required us to move an entire marine fleet into the lower Willamette River (Portland Harbor) where there is limited moorage space. Our marine fleet consisted of 10 barges, 4 tugs, 2 tenders and 3 dredges. In addition to having to pay for moorage (we had developed marine facilities in the upper river), we now have increased costs for employees to access the equipment due to longer travel times and more difficult access. We historically barged material (primarily aggregate) on the upper Willamette River and the locks were critical in our supply chain. Barging is an extremely cost beneficial method for moving large, and heavy commodities such as sand and gravel, wood chip and logs, some agricultural crop and other materials. One barge carries the equivalent of 33 trucks. Now with the locks





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closed WCP is required to transport material on highways and surface roads using dump trucks. This adds costs and contributes to congestion on already congested roads.

## Economics of Locks

Numerous economic studies have been completed on the financial benefits of the locks. This includes studies by BST Associates (2005), CEDER, Synergy Northwest, LLC, and Chenoweth Consulting (2008), Oregon State University (D. Eason, 2011 [Civil Engineering]), EcoNorthwest, (2014), WCP (2016), and the Corp of Engineers (2017). All have demonstrated variable revenues on using the locks. Currently, a significant contract (\$100K) has been used to hire consultants to quantify the economic impacts with respect to the locks and will specifically address: 1) Economics & Infrastructure, 2) Public Access, 3) Tourism & Recreation, and 4) Cultural & Historic components.

The future for infrastructure and transport is expected to increase with marine transport since marine transport obtains green credits for efficiencies (reduced emissions). Additionally, reduced road congestion and lower costs make barging a cost beneficial alternative.

## Willamette Falls Locks Commission

Willamette Falls Locks Commission will be a critical organization with a mix of public agencies from the state, counties, cities, Ports, Tribes and others. It will also include local business representation that can effectively participate and contribute. The Willamette Falls Commission would be able to meet multiple objectives that include recreation and tourism as well as functioning locks for commodity transport.

The Corp of Engineers on May 21<sup>st</sup>, 2017 published their recommendations for disposition that recommended the Corp find either a public and/or private transferee. The options include the potential for repair and/or filling in the chambers (or building a dam).

We strongly support SB 256 that enables a governmental and controlled administration of the locks. This allows the transfer from the Corp to a public entity for managing the resource. Assistance from others, can make the locks operational, and ensure the preservation of these historical, cultural and recreational opportunities.

The Commission is critical to effectively identify or recommend a governance structure for a transferee. If a public entity cannot be determined, it is likely that the transfer of the locks ownership by the Corp of Engineers will be to private entities/business (via a Government Sale). There are economic benefits for private ownership of the locks but a private owner would not have to meet objectives related to tourism, recreation, and public access. Private entities would probably close the locks to public access since such access would create unneeded risk and potential liabilities. Additionally, it is likely that if the





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locks went into private ownership it would be converted to a completely different land use.

## Summary

We thank the Sub Committee and others for hearing our comments on SB 256. Once again, we strongly support SB 256 and urge you to pass this bill to establish a Commission. We (at WCP) will continue to work with the groups on finding future alternatives for the Willamette Falls Locks and maintaining the operational components and historical preservation of these resources.

Sincerely,

Dave and Joe Bernert  
Principles, Wilsonville Concrete Products

