

An aerial photograph of a road construction site. A yellow roller is in the upper right, and a blue truck with a yellow container is in the lower right. The road surface is dark asphalt, and there are piles of gravel and sand on the left side. The text 'AOC ASSOCIATION OF OREGON COUNTIES' is overlaid in the top left, and 'COUNTY ROAD NEEDS STUDY 2024' is overlaid in the center.

AOC ASSOCIATION OF  
OREGON COUNTIES

# COUNTY ROAD NEEDS STUDY 2024

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## EXECUTIVE SUMMARY

The statewide revenue forecast over the next five years shows a 59 percent annual shortfall for county road departments, amounting to a need for an additional \$834 million per year for counties.

### THE COUNTY ROAD SYSTEM

County roads are a critical component of Oregon's integrated road system. Oregon's road system totals approximately 52,674 non federal miles. Counties are responsible for the largest share of Oregon's road system, with 26,744 miles under county jurisdiction (62 percent, non federal). The county road system also includes 3,448 bridges over 20 feet.

### OBJECTIVES

The objective of the County Road Needs Study is to determine and demonstrate the funding required to maintain and manage the county road system to meet the needs of the traveling public over the next five years (2026-2030).

This study describes:

- anticipated funding for county roads,
- the impact forecasted revenues will have on service delivery over the next five years,
- how federal funding priorities will influence county projects,
- which activities are a priority for counties along with the needed additional funding, and
- how the different regions of the state are facing changes in revenues and services.

### METHODS

Each county was provided with forecasted revenues from the U.S. Forest Service (USFS), the Fund Exchange Program (FEX), and the State Highway Fund (SHF) allocations to counties from 2026-2030. All 36 county road departments were asked to estimate locally generated funds for their county. Additionally, each county identified the projects and services they anticipate will be provided in the upcoming five fiscal years (2026-2030). Counties were then asked to consider the condition of their road system and report the necessary projects and activities, and the estimated costs for completing them.

### EXPENDITURES

County road departments categorized expenditures by:

**Capital construction** which includes bridge construction, road reconstruction, safety projects, intersections, and bicycle/pedestrian projects;

**Pavement preservation** which includes chip seals and pavement overlays; and

**Maintenance, repairs, and operations** which includes system management, roadway drainage, shoulder maintenance, bridge maintenance, vegetation management, and storm response and repairs.

The statewide revenue forecast over the next five years shows a

**59%**  
**ANNUAL SHORTFALL**  
for county road departments.

This translates into the need for an additional

**\$834**  
**MILLION**

per year for counties based on revenue forecasts.

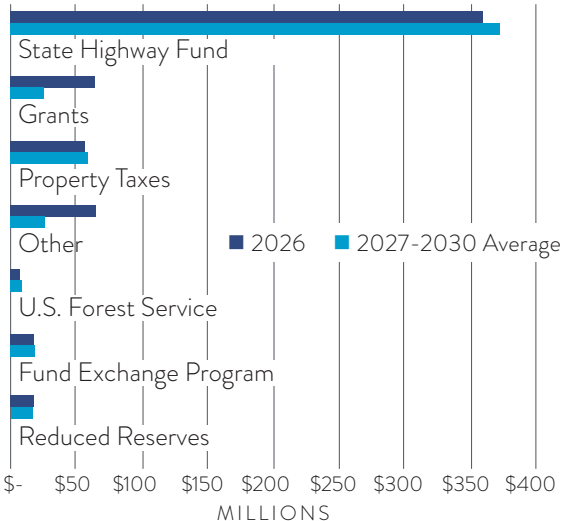


# EXECUTIVE SUMMARY

## FUNDING

Almost all funding budgeted for county roads is earmarked for road purposes only. The funding sources are USFS revenue, FEX, Oregon’s SHF, and locally generated revenue. The majority of revenue comes from the SHF, primarily derived from gas tax, heavy truck weight mile tax, and vehicle fees, that is equitably distributed between the state, counties, and cities in a longstanding formula called 50% / 30% / 20%. For over 100 years, many counties have relied on forest revenue to fund their roads. These payments have significantly declined to approximately 38 percent of what was received in the early 1990’s. The last payment was received in 2024. However, unless there is a future extension of the Secure Rural Schools and Community Self-Determination Act, federal forest revenues to counties are anticipated to drop to less than 4 percent of early 1990s level. This study does not assume a reauthorization and therefore, no Secure Rural Schools payment after 2024.

### COUNTY ROAD FUND REVENUE SOURCES



## CONCLUSION

Road departments are prioritizing the maintenance, preservation, and safety of our roads because it is far more economical to maintain existing infrastructure than to allow roads to deteriorate, and face the higher costs of rebuilding.

Anticipated revenue will not meet even the basic maintenance needs. Pavement preservation, such as overlays, and capital construction projects, such as road rebuilds and bridge reconstruction, have been on hold. Over the next five years, counties anticipate a 60 percent shortfall for pavement preservation projects and a 70 percent shortfall for capital construction.

Counties need \$834 million in new revenue per year to maintain the county road system in a safe and adequate condition.

Counties would receive \$6.6 million per year for each one cent increase to the gas tax and weight mile tax after applying the 50% / 30% / 20% distribution formula. To raise enough revenue to cover the county gap through gas tax and weight mile increases alone, the legislature would have to increase the gas tax by an estimated \$1.26 per gallon (\$0.38 per gallon for 30% county share). Counties understand these increases are unlikely in the current fiscal climate, but the numbers demonstrate the overwhelming funding shortfall.

### TOTAL COUNTY ROAD NEEDS

(Annual average for the period 2026-2030)

	Capital Construction	Pavement Preservation	Maintenance, Repairs, and Operations	Total
Anticipated Funding	\$201,053,569	\$93,156,980	\$281,936,802	\$576,147,352
Additional Funding Needed	\$472,679,050	\$141,344,139	\$220,346,038	\$834,369,228
Total Funding Needed	\$673,732,619	\$234,501,119	\$502,282,841	\$1,410,516,579

Shortfall **70%**    **60%**    **44%**    **59%**

## INTRODUCTION

### County roads are a critical component of Oregon's integrated road system.

Oregon's road system totals approximately 79,476 miles which are maintained primarily by counties, cities, federal land management agencies, and the Oregon Department of Transportation (ODOT). Counties are responsible for the largest share of Oregon's road system, with 26,744 miles under county jurisdiction. The county road system also includes 3,448 bridges over 20 feet.

### Oregon's roads are a critical component of economic development and job growth.

They provide essential links for commerce and economic development, including local food-to-market delivery, access to Oregon's deep-water ports and freight rail network, routes to recreational areas and tourist attractions, connectivity between city streets and state highways, and access to federal lands.

The needs of individual counties differ substantially depending on local usage, population, and climate. Furthermore, there are various types of county roads. Counties are responsible for urban and suburban roads, often located within or along an urban growth boundary. Many county roads are also found in rural areas, where they are primarily used by agriculture and forest industries.

Road types are defined according to federal standards by their functional classification. "Arterial" roads are designed and operated almost exclusively for through-traffic. "Local" roads primarily provide access for adjacent property owners to the roadway network. "Collector" roads are the true backbone of the county road system. They provide the links between farms, forests, factories, schools, and residences to the rest of the county, city, and state road system. Counties are responsible for 770 miles of arterials, 11,435 miles of collectors, and 14,539 (20,423 including local access roads) miles of local roads, totaling 26,744 (32,694 including local access roads) miles of roadway.

### Almost all county roads are school bus, mail carrier, and emergency vehicle routes. Many are forest roads that provide access to these important public lands, including critical access to crews fighting wildfires.

Counties take the responsibility for their county roads seriously. From construction of new roads and bridges to grading gravel roads and cleaning out ditches, county road departments understand the needs of the traveling public and work to provide a safe infrastructure.

Counties are responsible for the largest share of Oregon's road system, with



**26,744 miles**  
under county jurisdiction.

The county road system also includes:



**3,448 Bridges**  
over 20 feet

## OBJECTIVES

In 2014, the Association of Oregon Counties (AOC) released the previous County Road Needs Study that reported the anticipated needs of road departments from 2014-2018. The current study is an update of that report and looks at the same road construction and maintenance activities anticipated by individual county road departments.

The objective of this study is to determine and demonstrate the funding needed to maintain and manage the county road system to meet the needs of the traveling public for the next five years.

This study will describe:

### ANTICIPATED FUNDING FOR COUNTY ROADS

### THE IMPACT FORECASTED REVENUES WILL HAVE ON SERVICE DELIVERY OVER THE NEXT FIVE YEARS

### HOW FEDERAL FUNDING PRIORITIES WILL INFLUENCE COUNTY PROJECTS

### WHICH ACTIVITIES ARE A PRIORITY FOR COUNTIES ALONG WITH THE NEEDED ADDITIONAL FUNDING

### HOW THE DIFFERENT REGIONS OF THE STATE ARE FACING CHANGES IN REVENUES AND SERVICES

### MAJOR CHANGES SINCE THE 2014 COUNTY ROAD NEEDS STUDY



# EXPENDITURES

## CAPITAL CONSTRUCTION

**The primary need for capital construction projects is to rebuild deteriorating roads.**

Maintenance dollars are spread thin for most counties, causing road conditions to degrade. Some road conditions have declined to the point where an overlay will not preserve the road, therefore a rebuild is necessary.

Another need for capital construction projects is to keep up with population growth. Oregon must be able to increase capacity on the road system. Furthermore, economic growth requires improved roads to allow for the development of new residential and business areas. Additionally, many county capital projects are driven by multimodal needs and requirements. Keeping in mind that most of the county system was constructed over a half of a century ago, well before the establishment of multimodal standards, counties are now struggling to find capital funds to add bicycle and pedestrian facilities to their roads.

Many counties have developed Transportation System Plans (TSPs) that identify the necessary capital improvement projects to support their comprehensive land use plans. TSPs have undergone public review processes

to determine the public's priorities. The plans have a list of scheduled projects to be constructed, from which the "anticipated funding" capital projects were selected. The remaining projects on the TSPs lists were used to determine the "additional funding needed."

For this study, county road officials were asked to categorize capital construction projects by the following "type": Major construction and reconstruction, Bridge, Intersections, Bicycle/pedestrian, Fish passage, Safety projects, Other.

This was a difficult task because most major projects provide work in several of the other categories of improvements. For example, a major roadway reconstruction will almost certainly include bike paths and other safety elements, and may also include a new bridge or intersection improvements, such as signals. As a result, the individual project types listed as bridge, intersections, bike/pedestrian, fish passage, and safety are for "stand alone" projects and do not include work done in "major construction."

"Other" construction projects include numerous slide repairs and stream bank stabilization, as well as many projects that do not fit in any other category.

For this study, county road officials were asked to categorize capital construction projects by the following "type":



Ashland, OR

# EXPENDITURES

## PAVEMENT PRESERVATION

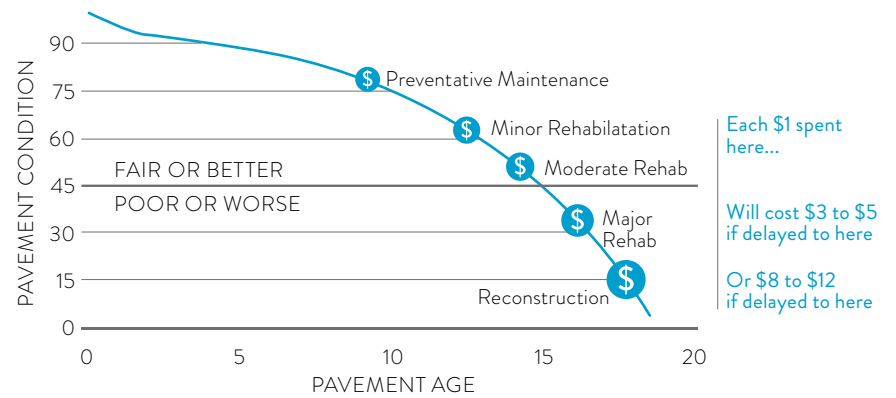
**A good pavement preservation program is the keystone to sustaining any road system.**

The public judges the effectiveness of a road agency by the surface condition of its roadways. Smooth, even pavements provide the public with a good quality ride, enhanced safety, and protect the public's investment in the road asset. Roads that are cracking and have a rough surface are not safe. Potholes, ruts, and uneven surfaces present motorists with hazardous situations, put extra wear and tear on vehicles, and can damage freight.

**The most cost effective way to maintain the roadway system is to provide timely preventive treatments to the pavement.**

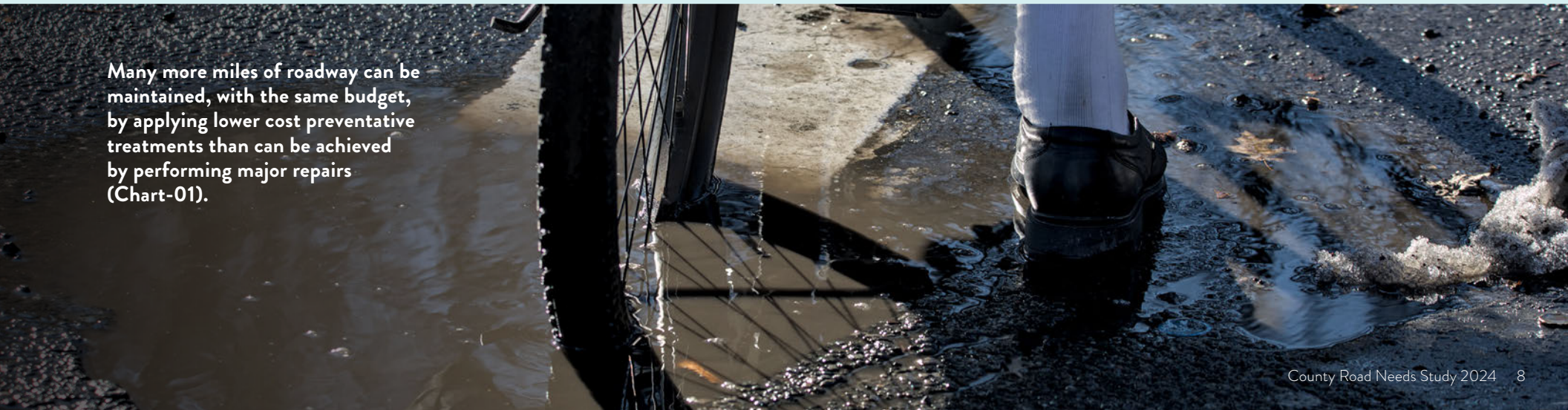
Costs increase significantly if roadways are allowed to deteriorate too far. Many more years of roadway life can be achieved by regular, less expensive preventative maintenance such as chip seals. Periodic overlays eliminate the need for major repairs or full replacement of a badly deteriorated road.

CHART-01: PAVEMENT PERFORMANCE



Taken from the ODOT 2012 pavement Condition Report.

Many more miles of roadway can be maintained, with the same budget, by applying lower cost preventative treatments than can be achieved by performing major repairs (Chart-01).





# EXPENDITURES

## BRIDGES

County bridges are slowly declining across the state, and the rate of decline has precipitously increased in the last two decades.

The number of county bridges in fair condition has climbed to 61 percent and county budgets cannot keep up. Counties need support to preserve the transportation system and head off costly replacements.

Many of Oregon's county bridges, built in the 1950s and 1960s, are now showing their age. These older structures are falling into fair to poor conditions, due in part to underfunding and deferred maintenance.

CHART-02: HISTORIC BRIDGE CONDITION

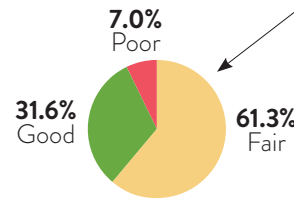
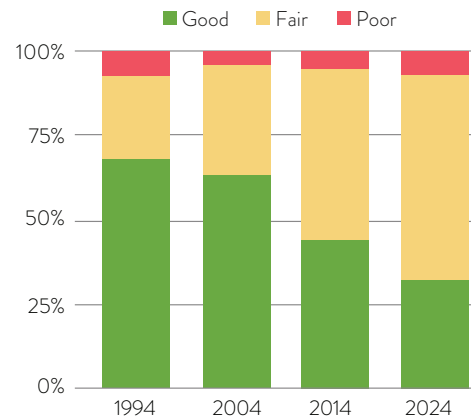


CHART-03: REGIONAL BRIDGE CONDITION

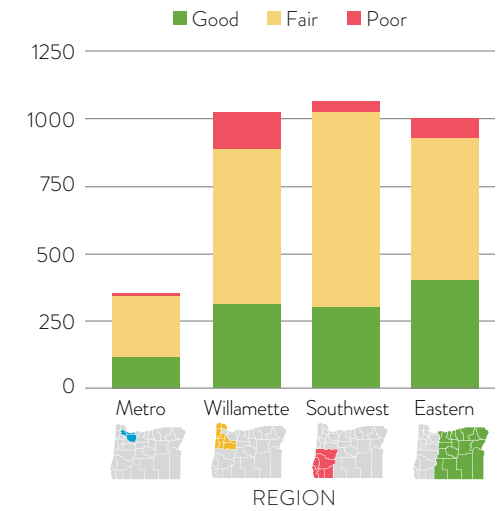
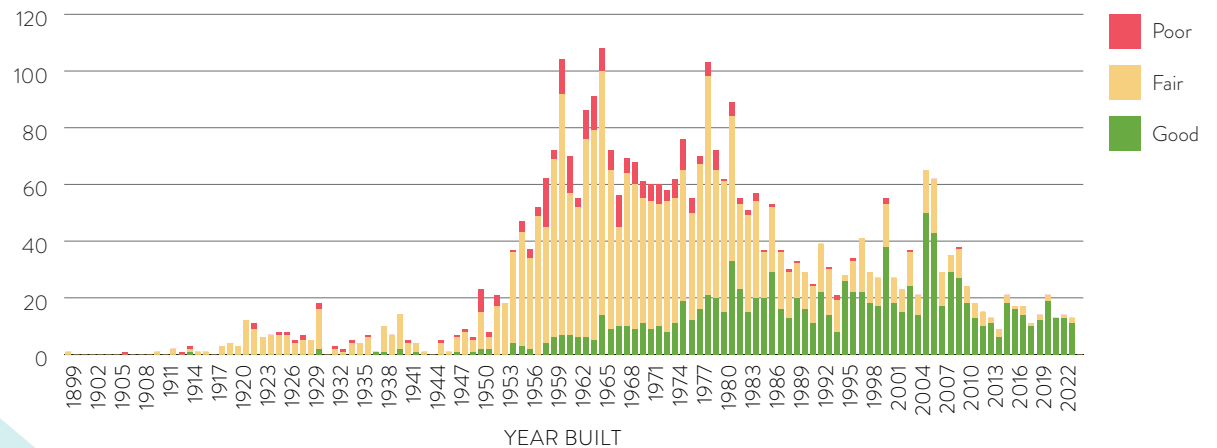


CHART-04: BRIDGE CONDITION BY YEAR CONSTRUCTED



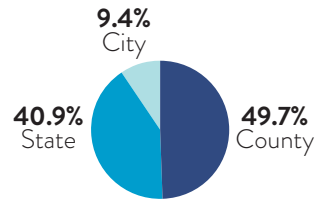
# EXPENDITURES

Bridges across the state need repairs and replacements. Counties own half of all the bridges in Oregon, but are burdened with replacing 76% of those that are structurally deficient.

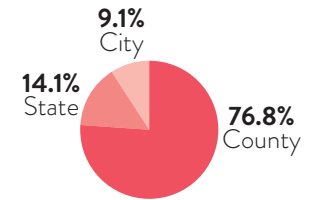
**A total of 987 county bridges have become restricted for heavy trucks.**

Many of these bridges are located in farming areas that impact local businesses' ability to deliver products to market, or in forested areas, which jeopardize wildfire response efforts and evacuation routes. In some regions, up to 45% of county bridges have been restricted.

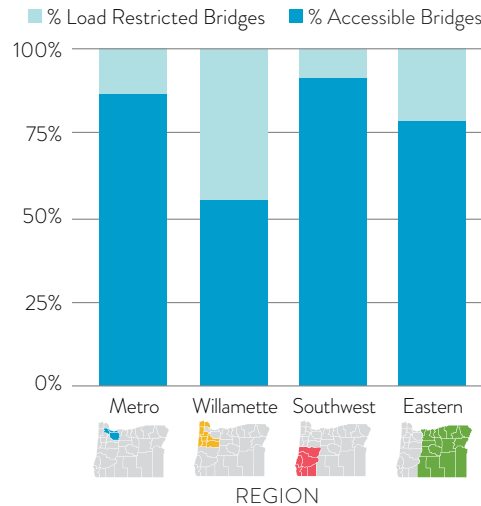
**CHART-05: OREGON BRIDGE RESPONSIBILITY**



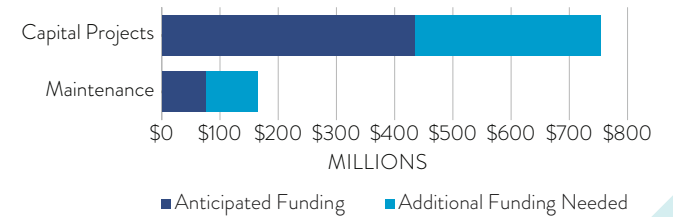
**CHART-06: STRUCTURALLY DEFICIENT BRIDGES**



**CHART-07: REGIONAL PERCENTAGE OF HEAVY TRUCK RESTRICTED BRIDGES**



**CHART-08: TOTAL COUNTY BRIDGE NEEDS**



# MAINTENANCE, REPAIRS, AND OPERATIONS

Maintenance, repairs, and operations tasks are the highest priority for county road departments. Many services that county road departments provide in this area require a quick response.

**For example, snow plowing, drainage, sign repairs, vegetation control, guard rail repairs, and pothole repairs become safety concerns if not attended to in a timely fashion. Unfortunately, the public does not see much of this work happening.**

Storm response usually takes place at night or in the early hours of the morning. Maintenance activities often occur during business hours when the majority of county residents are at work.



County road officials were asked to put maintenance, repairs, and operations tasks into “types”, which are listed below:



## GRAVEL ROAD GRADING AND RE-ROCKING

Counties are responsible for over 10,000 miles of unpaved roads. Much of Oregon’s agricultural and forest products are hauled to market over these roads. Gravel roads that have an uneven surface or inadequate drainage are unsafe for the traveling public. Therefore, the primary activity for any gravel road is grading the surface several times a year and adding fresh crushed rock to replace rock worn out by usage.



## ROADWAY DRAINAGE

Proper drainage involves keeping water off of the road and away from the shoulders. Water that is trapped under a roadway causes the road base to liquefy, which leads to pavement failure. Ditches and culverts must be kept clean to keep water moving.



## SHOULDER MAINTENANCE

Dangerous ruts develop along the edge of pavement and gravel shoulders when shoulders are not graded regularly. As with all gravel maintenance, the gravel must be refreshed as needed.



## BRIDGE MAINTENANCE AND REPAIRS

This work includes tasks such as cleaning, painting, and the repair or replacement of damaged parts. These projects include careful environmental consideration and sometimes require permits from state and federal agencies.



## VEGETATION MANAGEMENT

Grass, brush, and trees must be maintained within the right of way to ensure adequate roadway visibility and safety of the traveling public. Counties are also responsible for noxious weed control within their right of ways.



## TRAFFIC CONTROL

Motorists depend on traffic signs and signals, paint striping and lane markings, and directional signs to navigate roads safely. Counties are responsible for the maintenance and replacement of these signs and markings on their roads.

# MAINTENANCE, REPAIRS, AND OPERATIONS



## PAVEMENT REPAIRS

Crack sealing and filling potholes must be performed to address pavement failures.



## GUARD RAIL MAINTENANCE

Guard rails have to be replaced after every accident and when they wear out with age. Prompt repair or replacement of guard rail is essential to maintain a safe roadway for the traveling public.



## SYSTEM MANAGEMENT

Counties oversee the activities of others who have the right to be in the road right of ways. Permit programs are used to control these activities, such as the location of utilities, new driveways, and oversize/overweight vehicles.



## STORM RESPONSE AND REPAIRS

This is the highest priority, but unscheduled, work that has to be done with every storm. Common activities during storms are:

- » Cleaning debris from culvert inlets, ditches, and bridge abutments
- » Removing trees which have fallen into the roadway
- » Removing slide debris from roadways
- » Rebuilding washed-out roadways
- » Posting "High Water" signs
- » Snow plowing
- » Placing sand on icy roads



## ENVIRONMENTAL COMPLIANCE

Within the last 25 years, there has been an increased effort driven by the Environmental Protection Agency (EPA) through Oregon's Department of Environmental Quality (DEQ) to improve the quality of stormwater runoff. The primary conduits for this effort are through Municipal Separate Storm Sewer System (MS4) permits and storm water management plans to address Total Maximum Daily Loads (TMDLs). Counties are required to comply with these permits and plans using best management practices. Counties have been using existing funding (primarily gas tax revenue) to implement the conditions of the permits and plans to the best of their ability.

# \$214 MILLION

## TRANSFERS

Other local agencies receive road revenue transfers from nine counties for road and street purposes. These transfers amount to approximately \$214 million a year.

## OTHER ACTIVITIES

Include, but are not limited to:

- » Willamette River ferries
- » Dust control
- » Roadside hazards
- » Railroad crossings
- » Cattle guards
- » Dead animal removal
- » Litter pickup

Photos below left to right: 1) The Buena Vista Ferry on the Willamette River. 2) A railroad crossing sign at the Sumpter station of the Sumpter Valley Railroad in Sumpter, Baker County. 3) A cattle road sign on CZ road, Columbia County. | All photos by: Gary Halvorson, Oregon State Archives.



# MAINTENANCE, REPAIRS, AND OPERATIONS

## SAFETY

County road safety is a priority, with 442 fatal and serious injury crashes in 2022, counties suffered 22% of the state's total.

Rural roads come with a unique set of difficulties that contribute to the increased risk to driver safety. Limited cell phone reception can cause delays in emergency calls, and longer response times from emergency services can significantly impact the outcome of serious accidents. The simpler infrastructure of rural roads, along with risky driver behaviors like speeding or impaired driving, further increases the risk to driver safety. The likelihood of dying in a vehicle crash is 75% higher on a rural road than on an urban road.

Counties maintain a larger portion of rural roads than any other jurisdiction, and since fatalities are diffused across wide areas, and most funding sources focus only on easily identified hot spots, counties face unique and serious funding challenges that require focused attention and resources.

Counties need adequate funding for road safety improvements. Many county roads are just not built to modern safety standards. Worse still, many are too narrow to allow for even the most basic safety improvements. Counties need to widen the road right of way, install rumble strips, guardrails, and wider more reflective road stripes to prevent life threatening collisions and road departures. Without such investments, the safety of rural roadways will remain compromised, putting more lives at risk.

CHART-09: FATALITIES AND SERIOUS INJURY CRASHES

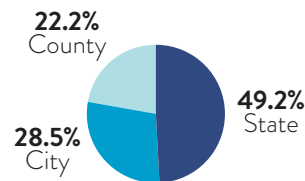


CHART-10: FATALITIES ON COUNTY ROADS

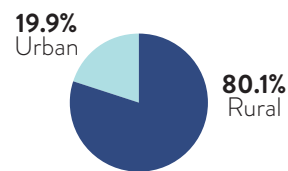


CHART-11: URBAN AND RURAL FATALITIES

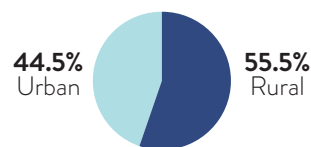
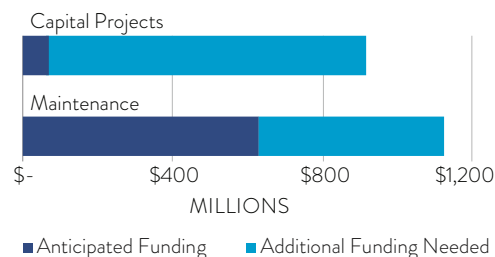


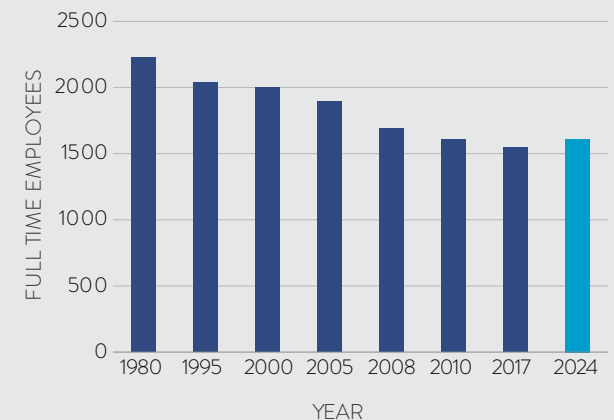
CHART-12: PROJECTED SAFETY NEEDS



## PERSONNEL

Oregon counties achieve remarkable results despite having minimal staff, with some road crews consisting of as few as five people. While engineering and road crews shrank over the last four decades, the number of roads and bridges did not. Faced with large responsibilities and limited resources, counties have focused on efficient operations and become a highly cost effective investment in transportation infrastructure. With the passage of House Bill 2017 (2017), counties saw their first personnel increase in 40 years. This was a crucial boost to their ability to manage Oregon's transportation system, although they are still far from the staffing levels 40 years ago.

CHART-13: HISTORY OF OREGON COUNTY ROAD PERSONNEL



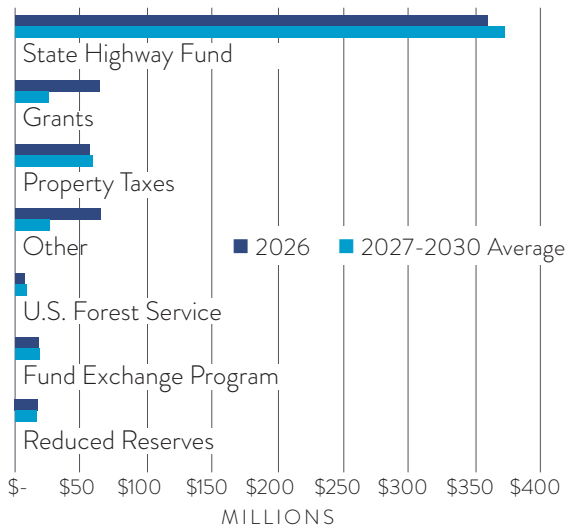
# FUNDING

County road departments have a unique and challenging fiscal environment. Each county has their own diverse combination of funding sources. The funding sources are U.S. Forest Service (USFS) revenue, Federal Fund Exchange Program (FEX), Oregon’s State Highway Fund (SHF), and locally generated revenue (Chart-14).

## The majority of revenue for county roads come from the State Highway Fund.

Most of the grants are Federal Highway Administration (FHWA) dollars, which are primarily managed by Oregon Department of Transportation (ODOT) and do not directly flow through county road fund budgets. Other grants, which are minor compared with the FHWA grants include: Oregon Watershed Enhancement Board dollars for fish passage projects, ODOT Safe Routes to School Program, and the ODOT Community Paths Program and a few other one-time-only grant programs.

**CHART-14: COUNTY ROAD FUND REVENUE SOURCES**

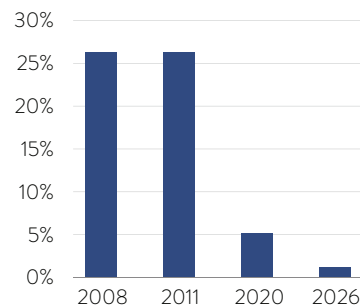


## USFS REVENUE

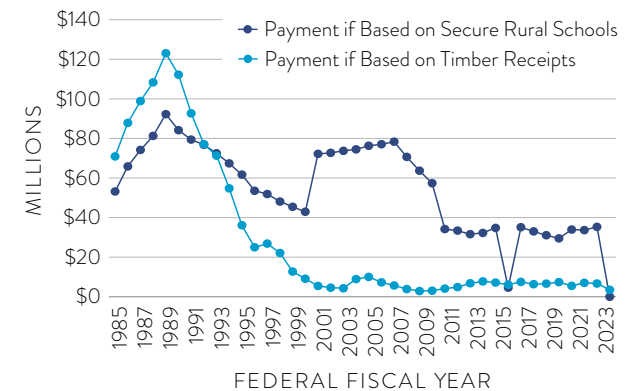
For over 100 years, the federal government has shared revenue generated from logging of federal forest lands with local governments. The payments are to help offset the loss of tax revenue due to lands being managed by the federal government instead of private owners. Sharing the revenue from the logging of federal forests with counties also recognizes the services counties provide to the lands, including the upkeep of roads. Over a century ago, in 1908, Congress designated 25 percent of revenues derived from U.S. Forest Service activities to be paid to counties in which national forests are located. The funds are to be used for the benefit of roads and schools. In Oregon, state law designates 75 percent of these funds to county roads and 25 percent to schools.

Prior to 1990, federal forest receipts were the most significant source of federal funds coming directly to Oregon counties for road purposes. Beginning in the late 1980s, the federal government greatly reduced logging on federal land to preserve spotted owl and salmon habitats, among other endangered species. As logging revenue dramatically diminished, so did the timber receipts to the county road departments, as seen in Chart-15.

**CHART-15: USFS SHARE OF COUNTY ROADS BUDGET**



**CHART-16: SRS USFS PAYMENTS TO COUNTY ROAD FUNDS**



## FUNDING

Beginning in 1989 Congress passed a series of “payment guarantees” to compensate county roads and schools for the loss of USFS timber revenues. Each “guarantee” has been at a reduced level from the previous one.

**The last payment, received in early 2024, averaged approximately 38 percent of the USFS payments in the early 1990s.**

Unless there is a future extension of the Secure Rural Schools and Community Self-Determination Act, revenues to counties are anticipated to drop to less than 4 percent of early 1990s level. In 2011, about 26 percent of county road budgets were derived from USFS payments, by 2025 that number will drop to under 4 percent (Chart-16).

### FEDERAL FUND EXCHANGE / FEDERAL-AID

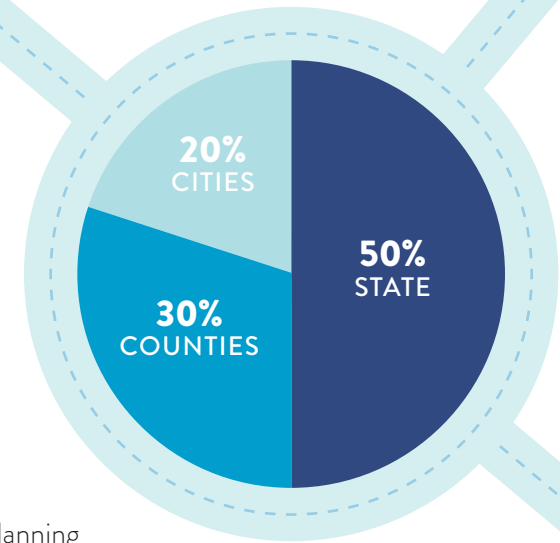
Almost all Federal-Aid to counties comes from the Federal Highway Administration (FHWA), through ODOT. The federal government taxes fuels used by all cars and trucks, and the revenue generated is used to fund highways and transit. The two primary ways county roads receive FHWA funds are:

**FUND EXCHANGE PROGRAM (FEX):** Each county receives an annual allocation of FEX Funds. The allocation formula is set by an agreement between ODOT, the Association of Oregon Counties (AOC), and the League of Oregon Cities (LOC). The Surface Transportation Block Grant (STBG) funding is the most flexible FHWA fund, and can be used for almost any transportation service, except for routine maintenance, such as patching a pothole. Most counties use this funding on pavement preservation projects. STBG funding is exchanged with ODOT for state funding. This omits the funds from some federal regulations, and instead they can be treated as if they came from the SHF. This greatly helps counties use these funds efficiently for the highest priority functions.

### FEDERAL HIGHWAY ADMINISTRATION (FHWA) GRANTS:

Most of the FHWA funding comes in the form of grants for specific projects. Each county acquires these grants through competitive processes administered by U.S. Department of Transportation (USDOT),

**CHART-17: STATE HIGHWAY FUND ALLOCATION RATIO**



ODOT, local Metropolitan Planning Organizations (MPOs), or Area Commissions on Transportation (ACT). Once the project has been approved, the design and construction contracts are administered by ODOT. The funding usually does not flow through the county road fund budget. Rather the county makes the “local Federal-Aid match” to ODOT. The match is usually 10.27 percent, although it can vary.

### STATE HIGHWAY FUNDS

The SHF provides revenues for county roads. SHF revenues are primarily derived from:

- Gasoline and diesel taxes
- Heavy truck weight-mile taxes
- Motor vehicles registration and title fees
- Driver license fees

The state highway funds are distributed between ODOT, counties, and cities (Chart-17). Counties have received 30 percent of the SHF for over three decades. Each county’s allocation of the SHF is based upon the number of registered vehicles in each county. With the passage of House Bill 2017 (2017) \$5 million annually is distributed to the smallest population counties with large road miles. State highway funds are anticipated to contribute \$357 million dollars in 2025 to county road budgets, which comprises 47 percent of their incoming revenues. Oregon law requires that at least 1 percent of SHF revenues be spent on bicycle and pedestrian facilities.

# FUNDING

## PROPERTY TAXES

Oregon law prohibits counties from using property taxes for road purposes unless the tax was specifically dedicated to county roads by a vote of the citizens.

Property tax levies for county roads comprise a very small portion of total road revenue and are used by only seven counties: Clatsop, Gilliam, Malheur, Polk, Sherman, Tillamook, and Washington. Most counties lack the tax base necessary to support local funding options.

## OTHER LOCAL FUNDING SOURCES

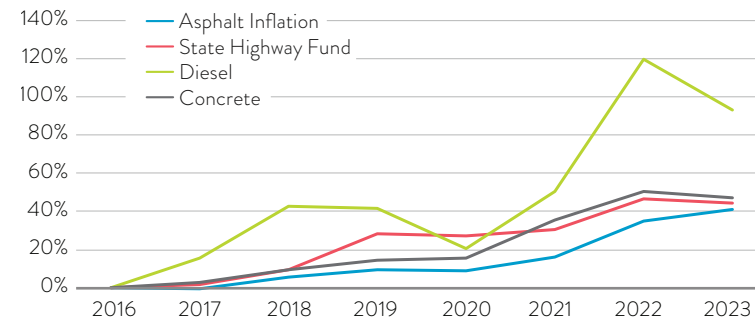
More populous counties have a wider variety of local funding sources. Some of the larger ones are:

- **County Gas Tax:** Multnomah and Washington counties are the only counties with this tax, and they both distribute some of the revenues to cities within their jurisdictions.
- **County Vehicle Registration:** Clackamas, Multnomah, and Washington are the only counties with this fee, and Multnomah’s is dedicated to bonds for the Sellwood Bridge Project. The study generally excludes the registration fee revenue for the completion of the Sellwood Bridge construction, unless otherwise noted.
- **System Development Charges:** Seven counties<sup>1</sup> collect these fees, which can only be used to pay for capital improvements to meet capacity requirements as a result of new development.
- **Reduced Reserves:** Several counties created a reserve within their road fund in anticipation of the eventual loss of USFS revenues. That time has come. Eleven counties<sup>2</sup> are in the process of using substantial reserves in order to fund normal maintenance and operations activities. Furthermore, some counties have elected to utilize their road reserves to fund public safety, which decreases the funds available for roads.

<sup>1</sup> Clackamas, Deschutes, Hood River, Jackson, Jefferson, Marion, Washington

<sup>2</sup> Baker, Clatsop, Curry, Deschutes, Harney, Jackson, Klamath, Lake, Multnomah, Washington, Wheeler

CHART-18: INFLATION V. ASPHALT, DIESEL, AND CONCRETE



Inflation in core construction materials has closely mirrored changes in revenue from the State Highway Fund.

These new costs have eroded the gains made from House Bill 2017 (2017) and set many counties back to where they were before the last transportation funding package. This is most acutely felt by rural counties, as the extra costs to haul materials long distances are magnified by the sharp increase to the price of diesel.



# THE BOTTOM LINE

It is no surprise that the financial needs of county road departments are great.

Statewide, the revenue forecast over the next five years shows a 59 percent annual shortfall. This translates into the need for an additional \$834 million per year (Table-01).

For the last four decades, county road departments have been prioritizing the maintenance, preservation, and safety of roads due to the same pressures that Oregon Department of Transportation (ODOT) is feeling now. It is far more economical to maintain current roads than to let them deteriorate and have to pay for a rebuild. This is why current county budgets invest in pavement preservation, maintenance, repairs, and operations. Counties have capital construction projects like road rebuilds and bridge reconstructions to replace what has been left behind from years of systemically underfunded maintenance.

CHART-19: PROJECTED EXPENDITURES AT ANTICIPATED FUNDING LEVEL

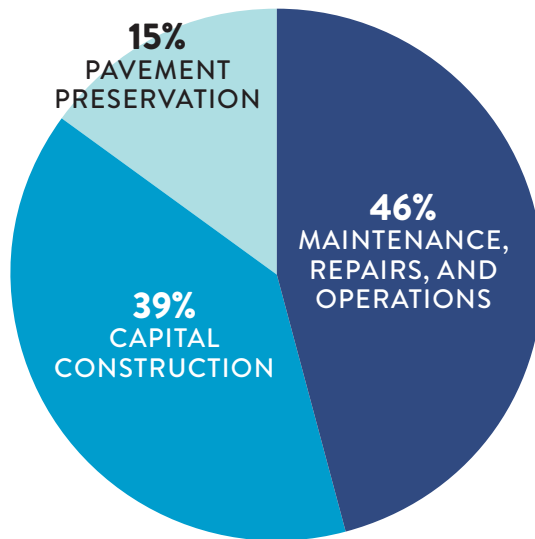
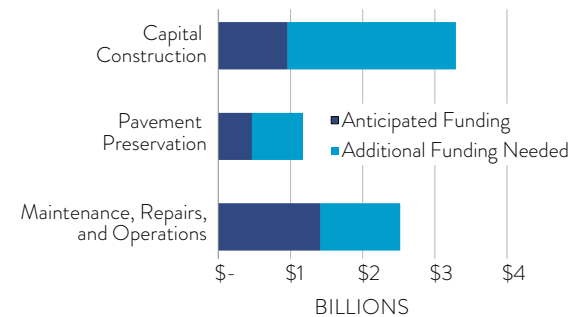


TABLE-01: TOTAL COUNTY ROAD NEEDS  
(Annual average for the period 2026-2030)

	Capital Construction	Pavement Preservation	Maintenance, Repairs, and Operations	Total
Anticipated Funding	\$201,053,569	\$93,156,980	\$281,936,802	\$576,147,352
Additional Funding Needed	\$472,679,050	\$141,344,139	\$220,346,038	\$834,369,228
Total Funding Needed	\$673,732,619	\$234,501,119	\$502,282,841	\$1,410,516,579

Shortfall **70%**    **60%**    **44%**    **59%**

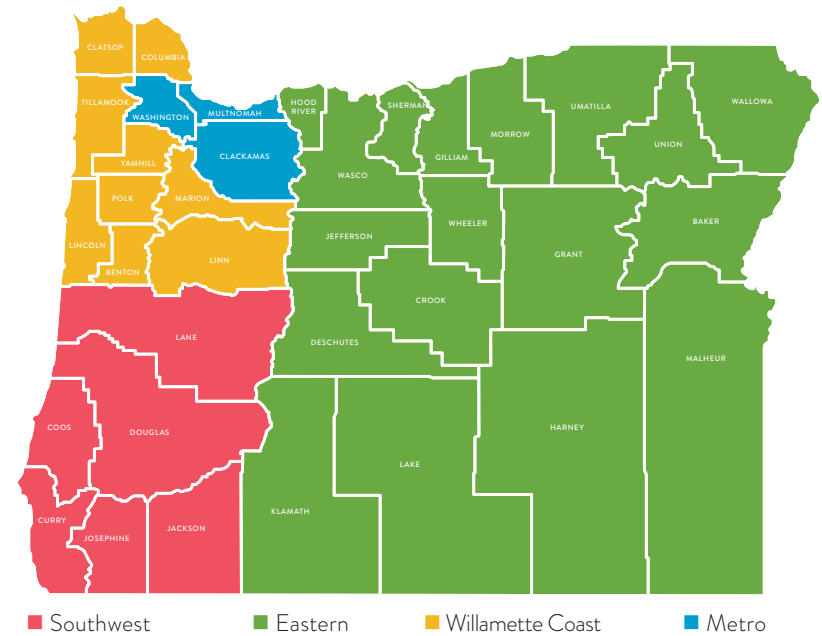
CHART-20: TOTAL COUNTY ROADS NEED



## STUDY REGIONS

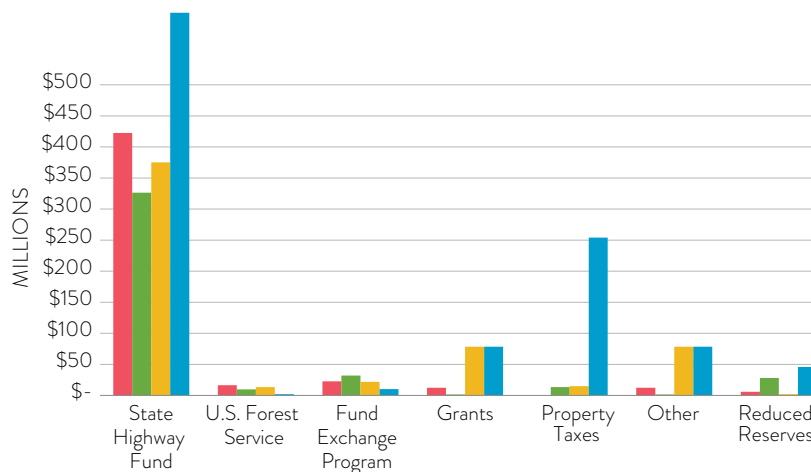
While the majority of challenges county road departments face are common throughout the state, many of the structural financial challenges are unique to specific counties and regions within the state.

The County Road Needs Study categorizes Oregon's 36 counties into four distinct regions: ■ Eastern, ■ Southwest, ■ Willamette Coast, and ■ Metro. The counties are clustered by similarities in geography, economies, population distribution, and common challenges in funding road projects. The sections on the individual regions contain more detail about specific activities and needs. They are found in the Appendix of this report.



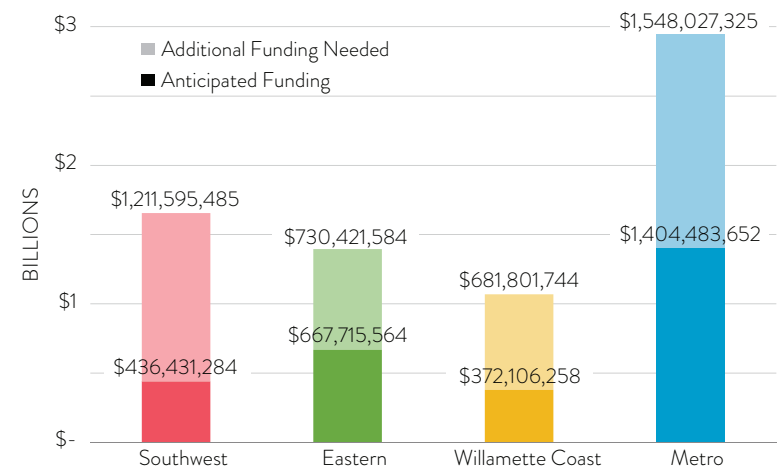
Funding county roads is a complex challenge that varies drastically from one region to another (Chart-21).

CHART-21: REVENUE BY REGION



Additionally, counties have differing priorities and projects, which reflect their communities, the traveling public, and economies that they serve (Chart-22).

CHART-22: PROJECTED ROAD NEEDS BY REGION



## CONCLUSION

Oregon's counties are diverse. Each county's current spending and anticipated budget needs are intended to meet the various requirements and priorities of their residents and the traveling public.

**Statewide, the revenue forecast over the next five years shows a 59 percent annual shortfall for county road departments.**

This translates into the need for an additional \$834 million per year for counties alone, based on revenue forecasts and counties maintaining a 30 percent share of new State Highway Funds (SHF). Counties would receive \$6.6 million per year for each one cent increase to the gas tax and weight mile tax assuming counties maintain 30% of the distribution formula. To meet the need, the state would need to increase the gas tax by an estimated \$1.26 per gallon. While counties understand these increases would be difficult for taxpayers to bear and politically untenable in the current fiscal climate, the numbers demonstrate the overwhelming shortfall.

Some counties are looking at local tools for generating revenue. Local gas taxes, vehicle registration fees, and road districts are options, but viable only for counties with populations that would generate adequate funding and where there is public support. For most counties, even if these local tools were approved by voters or authorized by the legislature, the revenue generated would be insignificant given the massive shortfalls. The critical role of the SHF cannot be understated. Counties rely on the gas tax, weight mile tax, and DMV fees to preserve Oregon's investment in the seamless transportation system.

For now, counties continue to focus on preserving and maintaining existing infrastructure. Counties are spending their money where they get the biggest return. However, many counties are finding it difficult to rely on unpredictable Secure Rural Schools (SRS) payments and are seeing dramatic decreases in funding. Some of Oregon's counties are struggling to meet even the most basic operational needs.

**New revenue must be provided to ensure the transportation system is kept whole.**

The statewide revenue forecast over the next five years shows a

# 59%

**ANNUAL SHORTFALL**

for county road departments.

This translates into the need for an additional

# \$834

**MILLION**

per year for counties based on revenue forecasts.

*The Hawthorne Bridge on the Willamette River in Portland.  
Photo Credit: Gary Halvorson, Oregon State Archives.*

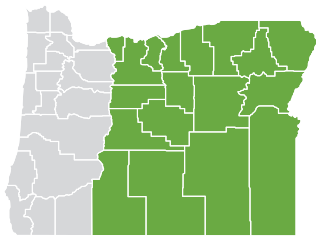
# APPENDICES

# APPENDIX A

## EASTERN REGION



Photos clockwise from top: 1) Cattle along East Steens Road with Steens Mountain in the background; 2) A tunnel along the Owyhee River. Malheur County; 3) Dorena Covered Bridge on the Row River. | All photos by Gary Halvorson, Oregon State Archives.



### COUNTIES

Baker	Hood River	Sherman
Crook	Jefferson	Umatilla
Deschutes	Klamath	Union
Gilliam	Lake	Wallowa
Grant	Malheur	Wasco
Harney	Morrow	Wheeler

### POPULATION

**595,797**

### SQUARE MILES

**71,119**

### SHARE OF STATE / FEDERAL LAND

**58%**

### TOTAL ROAD MILEAGE

**13,479**

### SHARE UNPAVED ROADS

**60%**

### ANTICIPATED FUNDING

**\$667,715,564**

### ADDITIONAL FUNDING NEEDED

**\$730,421,584**

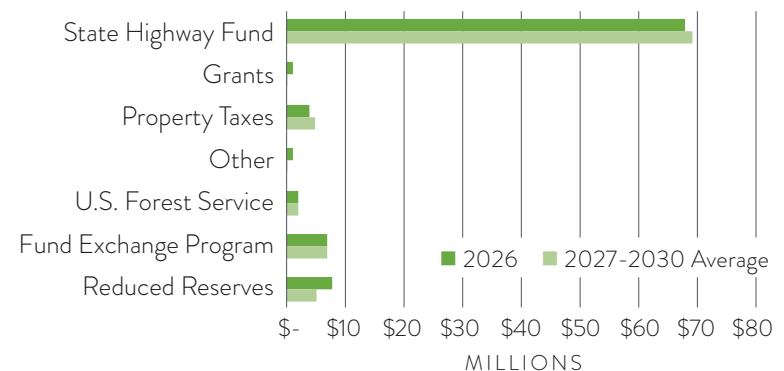
### SHORTFALL IN FUNDING

**52%**

The Eastern Region includes the counties that generally lie on the east side of the Cascade Mountain range. These 18 counties represent nearly 70 percent of the total area of the state. 58 percent of the land in this region is owned by the federal government, with significant shares owned by the U.S. Forest Service (USFS) and the Bureau of Land Management (BLM). These federal lands are exempt from property taxes and force this region to lean on other revenue streams to support county government.

The Eastern Region has significant economic diversity, although agriculture is a consistently important component of the regional economy. In some parts of the region, economic activity surrounding wheat and livestock is enormously important, while others depend on cherry and other fruit crops. The ability to get these crops to market depends heavily on having a functional and well-maintained county road system. For many of the counties in this region, USFS timber payments and Secure Rural Schools (SRS) payments are disproportionately high shares of the county road budget. Losing the SRS payments will have an enormous negative impact on these counties' ability to maintain their roads (Chart-A1). Throughout the Eastern Region, public sector employment is a large and consistent share of the economy. In the northern portion of this region there has been substantial private investment in wind power, and therefore revenue generated to the county, although this has not translated into lasting employment gains.

**CHART-A1: COUNTY ROAD FUND REVENUE SOURCES**



# APPENDIX A

## EASTERN REGION

Counties in this region have relatively stable, if not declining, populations; the exception being Deschutes County which has seen substantial growth. One result of the low regional population is there are far fewer registered vehicles in each county than in the western half of the state. State Highway Fund (SHF) dollars are primarily distributed based upon vehicle registrations; therefore a result of low population density is a relatively low level of SHF dollars. The smallest population counties with large road miles in the Eastern Region were provided with more sustainable levels of SHF revenue with the addition of House Bill 2017 (2017) \$5 million annual Small County Allotment program. Additionally, local funding options such as a local gas tax or registration fee would not have a significant impact on road budgets because of the small number of residents.

The distribution formula for federal Fund Exchange Program (FEX) funds benefits this region, since it depends on rural population and rural mileage.

The Eastern Region has unique challenges with more extreme swings in climate and temperature, which can cause potholes and other road failures. This region also has disproportionately high expenditures related to snow and ice removal. Another distinct challenge for this more rural region is the prevalence of unpaved roads, at over half of all road miles in this region. In the eastern part of the state, the need for increased road funding is the third largest among the four regions, at \$730 million. The Eastern Region can expect to receive only 48 percent of the funding needed, leaving a 52 percent shortfall for capital construction, pavement preservation, and maintenance, repairs, and operations needs (Chart-A2).

The Eastern Region does not anticipate much funding for capital projects. Therefore, this is where we see the most need (Chart-A3). The priority is on pavement preservation and maintenance, repairs, and operations, as is apparent (Chart-A4, Chart-A5). Currently, this region is planning to spend the most on maintenance, repairs, and operations.

■ Anticipated Funding   ■ Additional Funding Needed

CHART-A2: TOTAL COUNTY ROAD NEEDS

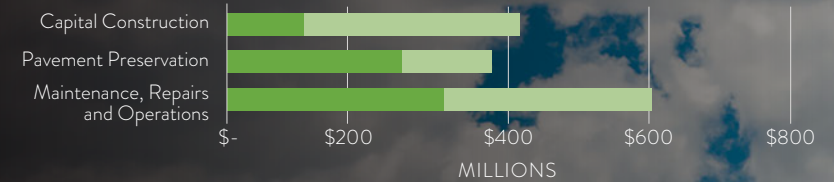


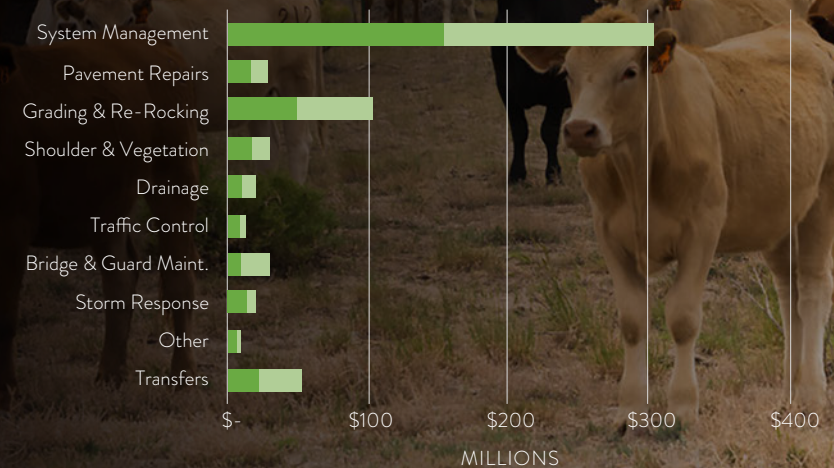
CHART-A3: CAPITAL CONSTRUCTION NEEDS



CHART-A4: PAVEMENT PRESERVATION NEEDS



CHART-A5: MAINTENANCE, REPAIRS AND OPERATIONS NEEDS

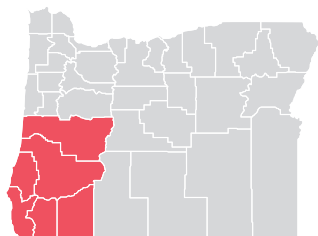


# APPENDIX B

## SOUTHWEST REGION



Photos clockwise from top: 1) Eugene, OR. 2) Madrone trees on the trail to the top of Upper Table Rock, Jackson County. 3) A seafood market along the Coos Bay Boardwalk on Coos Bay adjacent to downtown. | Photos 2 and 3 by Gary Halvorson, Oregon State Archives.



### COUNTIES

- Coos
- Curry
- Douglas
- Jackson
- Josephine
- Lane

### POPULATION

**901,082**

### SQUARE MILES

**16,308**

### SHARE OF STATE / FEDERAL LAND

**54%**

### TOTAL ROAD MILEAGE

**4,924**

### SHARE UNPAVED ROADS

**14%**

### ANTICIPATED FUNDING

**\$436,431,284**

### ADDITIONAL FUNDING NEEDED

**\$1,221,371,864**

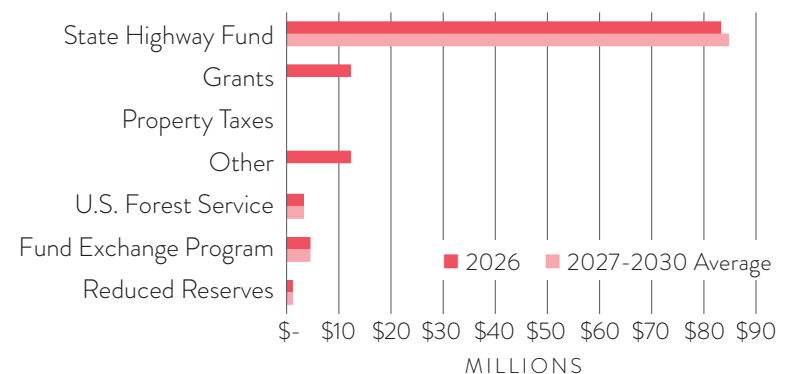
### SHORTFALL IN FUNDING

**74%**

Vast forests cover most of the counties in the Southwest Region. Although most of this region is rural, there are significant population centers, the largest of which is the city of Eugene in Lane County. This part of the state has half of Oregon's coastline, which is vital for the tourism and fishing industries. The counties in this region have traditionally relied upon federal and state forests and private timber companies to play a pivotal role in supporting their communities. Unfortunately, the decline of the timber and forest products industries has had a lasting effect on the unemployment rate, which remains stubbornly high in this region.

Historically, counties in the Southwest Region have been heavily dependent on timber receipts and Secure Rural Schools (SRS) payments for road construction, maintenance, and operations. When the SRS payments are lost, as projected for 2025, these counties will have to dip heavily into their road reserves (Chart-B1). Generally, this region chose to build reserves for two reasons; one was the payments were previously sufficient to fund a healthy road system while building a reserve, and second, because this portion of the state is prone to disastrous incidents of flooding and landslides during the rainy season. These events, although rare, are incredibly expensive, and having a reserve to help meet the need is of vital importance. Now that these counties have had to adjust over three decades to declining forest payments, their reserves have been tapped more and more frequently. On top of this, the state has allowed many of the counties in this region to use their road reserves for Sheriff's patrol purposes. While this has been an important aid to bolster

**CHART-B1: COUNTY ROAD FUND REVENUE SOURCES**



## APPENDIX B

### SOUTHWEST REGION

public safety, it has depleted county road funds when they are needed most. A combination of low historic property tax rates and a significant influx of older people moving to this region to retire have prompted the citizens in this region to be generally tax averse. These emerging trends have made it very difficult to pass property tax measures for general county government, public safety, much less for the maintenance of the county road system. This can be seen in the fact that this region is the only one in the state without a single dollar of property taxes dedicated to road funding over the next five years (Chart-B1). Further, this region has received a disproportionately small amount of federal grant funding, exacerbated by the staffing reductions and funding problems facing many of the counties in this region.

For several counties in the Southwest Region, reserves have served as a buffer from facing as significant of a magnitude of need as some of the other regions. The total need in this region is the second highest of the four regions, but the option to use reserves is rapidly evaporating; and when reserves are gone, they are gone with no funding to replace them.

The Southwest Region faces a revenue shortfall of 74 percent. The counties in the Southwest Region are putting the majority of their anticipated funding toward maintenance, repairs, and operations, while the need for capital construction dollars is great (Chart-B2).

This region has the second highest expenditures and need in capital construction of the counties. Most of the funding needed is for road and bridge construction (Chart-B3). The coastal portion of this region has some distinct challenges in maintaining the county road system. The coastal portion contains the most unstable geologic areas of the state where sinks and landslides commonly damage the road surfaces. Additionally, the destructive nature of salt water damages bridges. Across the Southwest Region, there are significant costs associated with recurrent flood damage to roadways, bridges, and culverts. Pavement preservation is important in this region, as seen in Chart-B4, with significant expenditures and need for both overlays and seal coats. Given the dense forests, mountains, and heavy rainfall in this region, a large portion of the maintenance budget goes towards drainage maintenance, storm response, pavement damage, and vegetation management (Chart-B5).

■ Anticipated Funding   ■ Additional Funding Needed

CHART-B2: TOTAL COUNTY ROAD NEEDS

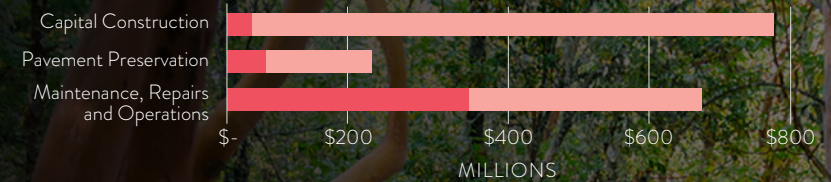


CHART-B3: CAPITAL CONSTRUCTION NEEDS



CHART-B4: PAVEMENT PRESERVATION NEEDS



CHART-B5: MAINTENANCE, REPAIRS, AND OPERATIONS NEEDS



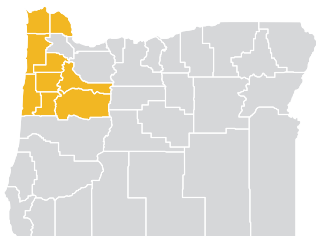


# APPENDIX C

## WILLAMETTE AND NORTH COAST REGION



Photos clockwise from top: 1) Ecola Viewpoint at Ecola State Park on the Pacific Ocean near Cannon Beach, Clatsop County. 2) The Nehalem River from Foss Road, Tillamook County. 3) Grapes on the vine at a vineyard on Walnut Hill Road, Yamhill County. | All photos by Gary Halvorson, Oregon State Archives.



### COUNTIES

- Benton
- Clatsop
- Columbia
- Lincoln
- Linn
- Marion
- Polk
- Tillamook
- Yamhill

### POPULATION

**960,452**

### SQUARE MILES

**9,522**

### SHARE OF STATE / FEDERAL LAND

**35%**

### TOTAL ROAD MILEAGE

**5,219**

### SHARE UNPAVED ROADS

**26%**

### ANTICIPATED FUNDING

**\$372,106,258**

### ADDITIONAL FUNDING NEEDED

**\$681,801,744**

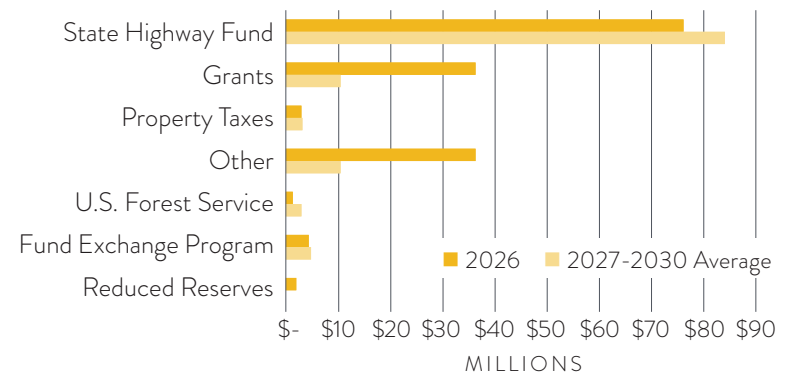
### SHORTFALL IN FUNDING

**65%**

The Willamette and North Coast Region of the state has substantial geological diversity, with half of Oregon’s coastline, large forests, and the bountiful Willamette Valley at its heart. This results in an equally diverse employment and economic reality. Along the coast, dairy, fishing, timber, and tourism are the largest components of the local economies. Farther inland, the counties in the Willamette Valley feature a strong agricultural industry, with grass seed, berries, nursery stock, and other crops. Also of significant importance to this region are the levels of public sector employment, with the Oregon State Capitol and relevant departments in Marion County, and Oregon State University in Benton County.

County road funding in this region is relatively balanced. The Willamette and North Coast Region has notable U.S. Forest Service (USFS) and Fund Exchange (FEX) funding, given the smattering of federal forests and modest rural populations and county road mileages. With the elimination of Secure Rural Schools (SRS) payments, this region is not facing a sudden dire funding dilemma. However, it does increase the unmet need by millions of dollars every year. Helpful in balancing the dedicated FEX are the significant levels of grant funding received, which are greater than USFS and FEX funding combined over the study’s five-year period (Chart-C1). This region also has some property taxes committed to road funding. Reserves were never built up to the same level as in the Eastern and Southwest Regions, therefore this region is unable to tap their reserves.

### CHART-C1: COUNTY ROAD FUND REVENUE SOURCES



## APPENDIX C

### WILLAMETTE AND NORTH COAST REGION

Similar to the Southwest Region, the Willamette and North Coast Region have challenges along the coast with rapid degradation of road surfaces and significant risk of flooding and landslide damage to county roads. The majority of anticipated funding is budgeted for maintenance, repairs, and construction. Counties are focusing on maintaining what they have, however there is still a need for capital construction projects (Chart-C2). Capital construction is important to this region, with the third highest anticipated expenditures of any region, and these are concentrated on road construction and bridge work (Chart-C3). This region spends roughly equal amounts on overlays and seal coats, but has the largest unmet need for funding in the pavement preservation category of any region (Chart-C4). Over time, if this need remains unmet the cost of maintaining the roads will rapidly increase. The Willamette Valley portion of this region has maintenance issues with the greater population density and heavy truck traffic from agricultural exports putting enormous pressure on the county road system. The diversity of challenges in this region are played out in the allocation of funds in the maintenance, repairs, and operations needs category, with a balanced array of needs from traffic control to drainage and bridge maintenance (Chart-C5).

■ Anticipated Funding   ■ Additional Funding Needed

CHART-C2: TOTAL COUNTY ROAD NEEDS

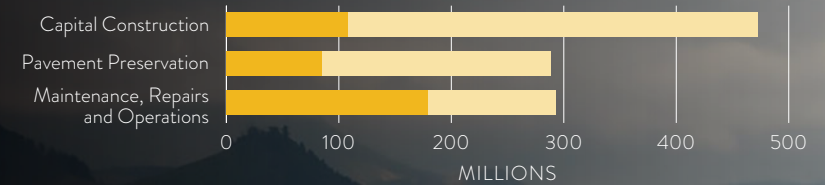


CHART-C3: CAPITAL CONSTRUCTION NEEDS

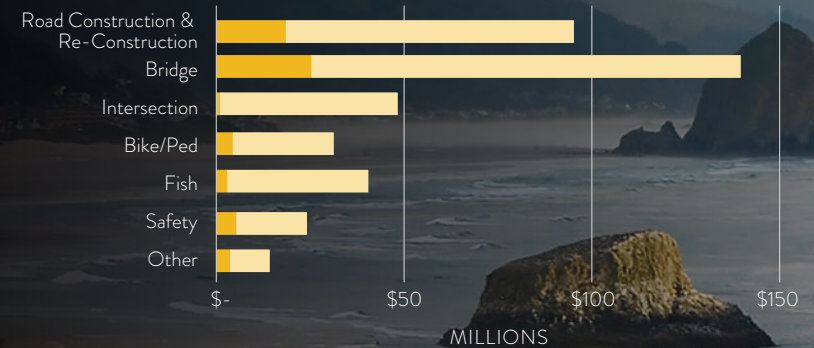
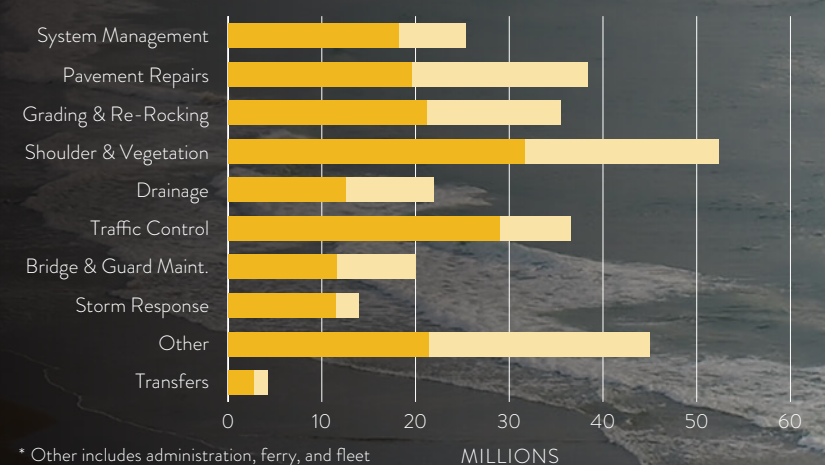


CHART-C4: PAVEMENT PRESERVATION NEEDS



CHART-C5: MAINTENANCE, REPAIRS, AND OPERATIONS NEEDS



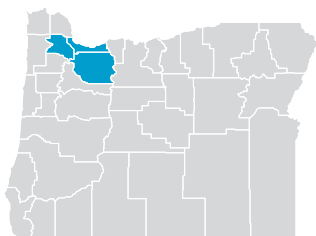
\* Other includes administration, ferry, and fleet operations, surveying, land development engineering, and traffic engineering that does not otherwise fit into other categories.

# APPENDIX D

## METRO REGION



Photos clockwise from top: 1) The view of Portland from the Oregon Health and Science University campus on Marquam Hill in Portland. 2) A view of Mt. Hood from Timberline Lodge on the flank of Mt. Hood in the Cascade Mountains. 3) A canola field on Mountindale Road, Washington County. | All photos by Gary Halvorson, Oregon State Archives.



### COUNTIES

Clackamas  
Multnomah  
Washington

POPULATION  
**1,839,295**

SQUARE MILES  
**3,076**

SHARE OF STATE / FEDERAL LAND  
**35%**

TOTAL ROAD MILEAGE  
**3,122**

SHARE UNPAVED ROADS  
**8%**

ANTICIPATED FUNDING  
**\$1,404,483,652**

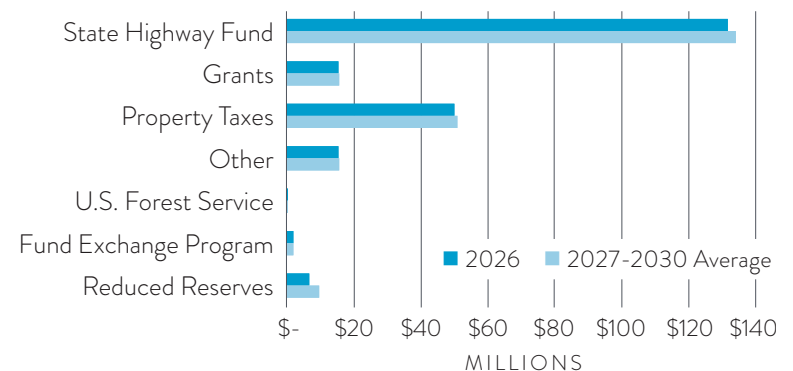
ADDITIONAL FUNDING NEEDED  
**\$1,548,027,325**

SHORTFALL IN FUNDING  
**52%**

The Metro Region constitutes the three largest counties in terms of population, yet the smallest combined landmass of any region. This has resulted in high population density and a significant burden on the road system. In this region the population is mostly concentrated in urban and suburban areas surrounding Portland, however there are significant rural areas in Clackamas and Washington counties, Clackamas County has the largest rural population of any county in Oregon. With the geographic distribution come unique facets to the regional economy. In this region there is enormous investment by high-tech manufacturing companies, as the region is home to the high-tech and entrepreneurial “Silicon Forest.” There are large levels of employment in service, retail, and transportation industries with the Port of Portland and Portland International Airport in Multnomah County. This diversity in economic industries has helped to keep unemployment at relatively low levels around this region.

One of the challenges this region faces are the bridges crossing the Willamette River. Six of these bridges are owned by Multnomah County, with the substantial operation, maintenance, repair, and replacement costs associated with them. Federal Fund Exchange Program (FEX) funding allocated directly to counties is helpful, but it is a relatively small portion of the regional funding. Washington County has the largest property tax

CHART-D1: COUNTY ROAD FUND REVENUE SOURCES



# APPENDIX D

## METRO REGION

dedicated to roads in the state, which makes this region look as if it has rather enormous property tax revenues. Although the funding must be shared with cities in the county, local option gas taxes are in place in Washington and Multnomah counties, and vehicle registration fees are in place in Washington, Multnomah, and Clackamas counties, the only counties in the state that exercise these options. A portion of State Highway Funds (SHF) and the local gas tax is transferred from Multnomah County to cities within the county to compensate the cities for the transfer of roads from Multnomah County. This region has the highest grant revenue, constituting almost half of the grants for road funding in the state. The most important revenue source for the Metro Region is SHF dollars, which are projected to reach almost two billion dollars in the study period. This region receives a significant share of the state distribution because of the high population density and therefore high density of registered vehicles which is the primary determinant of each county's SHF distributions.

This region faces a number of challenges and needs in the coming years. Counties in this region have had and will continue to have high levels of population growth and development, spurring a larger region-wide need for capital projects than any other region's entire need. The Metro Region anticipates spending roughly equal amounts on capital construction and maintenance, repairs, and operations (Chart-D2).

Again, to provide for the growing number of drivers in this region, counties are anticipating spending over three times the amount on capital projects than the next highest region, and accounts for two thirds of capital improvement needs (Chart-D3).

High levels of average daily traffic (ADT) on county roads increases the frequency of maintenance and preservation and therefore increases the cost of keeping county roads in good condition (Chart-D4, Chart-D5). Multnomah County in particular is responsible for maintaining the large and heavily used Willamette River bridges, which are very expensive to maintain.

■ Anticipated Funding   ■ Additional Funding Needed

CHART-D2: TOTAL COUNTY ROAD NEEDS

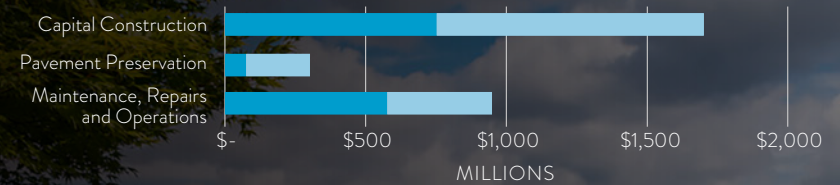


CHART-D3: CAPITAL CONSTRUCTION NEEDS

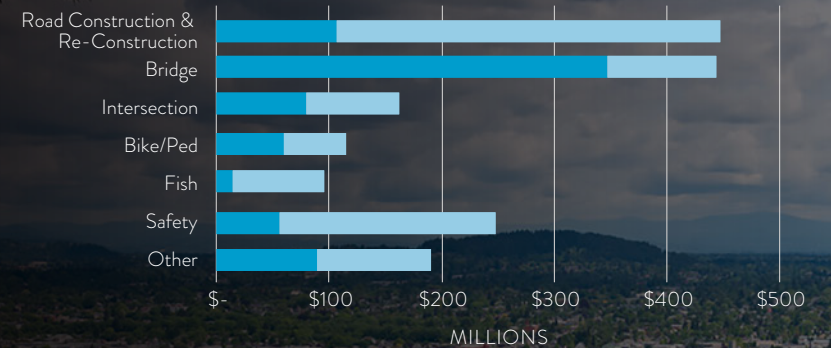
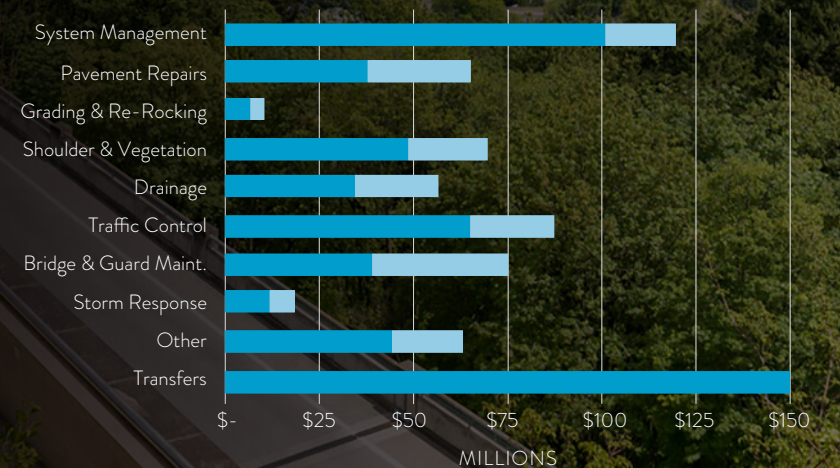


CHART-D4: PAVEMENT PRESERVATION NEEDS



CHART-D5: MAINTENANCE, REPAIRS AND OPERATIONS NEEDS



## APPENDIX E: METHODOLOGY

### STUDY ASSUMPTIONS

Assumptions that were made during the collection and analysis of information received from county road departments include:

- Oregon Department of Transportation (ODOT) data was utilized where it was considered a uniform and consistent source of data. Examples include statewide road mileage counts and State Highway Fund revenue forecasts.
- U.S. Forest Service (USFS) Secure Rural Schools (SRS) funding is not anticipated to be extended past the current authorization. For this study, USFS revenue is anticipated to be based on actual timber receipts which were forecast with historical data.
- The other estimated future budget revenues were based upon reasonable forecasts from historical data.
- Numbers in the study do not reflect any increase for inflation except for a modest three percent increase for Maintenance, Repairs, and Operations and where specifically noted. The study evaluates 2026–2030 with no change in the value of the dollar from 2026.

### DATA REVIEW

Data collected in the survey was reviewed and thoroughly checked for accuracy and consistency among counties. The information was analyzed both statewide and by region, with regions identified as Eastern, Southwest, Willamette and North Coast, and Metro. The regions were determined based upon similar attributes including geography, population, and primary funding sources.

### REVENUE CALCULATIONS

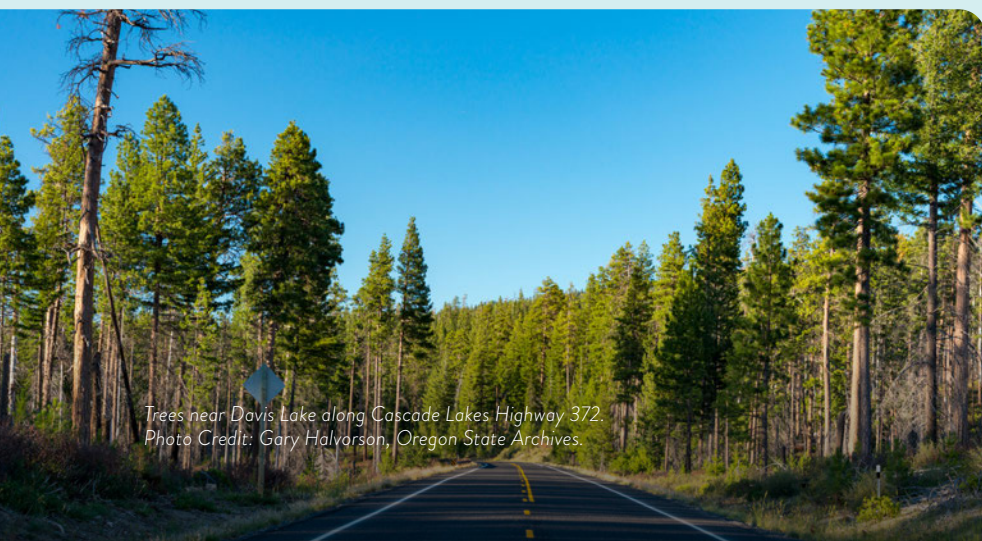
Each county was provided with forecasted revenues from the USFS, the Fund Exchange Program (FEX), and the State Highway Fund (SHF) allocations to counties from 2026–2030. All 36 county road departments were asked to provide estimates of locally generated funds for their county. These are labeled throughout this report as “anticipated revenues.”

### EXPENDITURE CALCULATIONS

Each county identified the projects and services they anticipate will be provided in the upcoming five fiscal years (2026–2030), assuming the forecasted funding levels and sources are accurate. Counties were then asked to consider the condition of their road system and report what necessary projects and activities, and the estimated costs for completing them.

Expenditures were categorized by:

- Capital construction
- Pavement preservation
- Maintenance, repairs, and operations



Trees near Davis Lake along Cascade Lakes Highway 372.  
Photo Credit: Gary Halvorson, Oregon State Archives.



## APPENDIX E: METHODOLOGY

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### STUDY OUTLIERS

The following anomalies have large impacts on the statewide figures for county road fund revenues and/or expenditures. In other words, the overall statewide situation is significantly altered when the anomalies are included in the analysis.

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#### Multnomah County is legally bound to send an estimated \$36.7 million each year to cities within their county.

Intergovernmental agreements obligate the county to transfer a payment amount based on actual receipts (Portland and Gresham) or based on change in the consumer price index (Troutdale and Fairview). Each intergovernmental agreement was developed as city annexations occurred and road jurisdiction was defined. This funding obligation is dedicated for road use and is based on thousands of lane miles of transferred system. **This \$36.7 million is included in the statewide analysis.**

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#### Multnomah County is working to bring the first seismically resilient vehicular bridge to downtown Portland through the Earthquake Ready Burnside Bridge Project.

Currently, the overall budget for the project is \$895 million. In 2019, the county increased its Vehicular Registration fee specifically to help fund this project. As a result, the county's local match totals \$421 million.

Additionally, the State of Oregon has contributed \$20 million in funds from HB 5030 (2023). The project has also received \$7 million in federal funds through an FY23 congressional appropriation and an FY22 RAISE Planning Grant. **For the five-year period, this constitutes a significant portion of all the money being spent on county bridge replacements in Oregon. For this reason, the Burnside Bridge Project cost needs are not included in the total statewide analysis.**

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#### Washington County anticipates receiving approximately \$57 million a year of property taxes in their overall county transportation budget.

However, these funds are not part of the county's "Road Fund." The largest share of these property taxes are allocated by the Board of Commissioners from the county's General Fund to the Major Streets Transportation Improvement Program (MSTIP). These funds (approx. \$48 million) are used primarily for multimodal capital safety and capacity improvements on certain arterial and collector roads countywide, including city streets. MSTIP funds also support bicycle and pedestrian improvement projects, including off-street trails. The Urban Road Maintenance District (URMD) is a county service district with a permanent property tax rate of \$0.2456 per \$1,000 assessed value. URMD funds (approx. \$6 million) are restricted only to maintenance of local and neighborhood route roads and minor safety improvements such as sidewalks in urban unincorporated areas. Service District for Lighting (SDL) is a county service district that provides streetlighting in the unincorporated areas. SDL assessments (approx. \$3 million) cover the costs for streetlight installation, repair and replacement, energy costs, and administration. Assessments vary from one property to another and are collected via property tax statements for benefitting properties. **Combined, this represents 85 percent of all property taxes collected for county road related purposes statewide and is included in the statewide analysis.**





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