Oregon's Seaport… Port of Coos Bay
OREGON INTERNATIONAL
Port of Coos Bay

May 5, 2023

RE: HB 5030 – Lottery bond funding request of $40 million to support the Coos Bay Channel Modification Project

The Port of Coos Bay has been working on a project to deepen and widen the Coos Bay Federally Authorized navigation channel since approximately 2006 when AP oeller Maersk was looking to site a container terminal on Coos Bay's North Spit. Understanding the potential of the Port of Coos Bay, the State has invested $20 million in funding to support the development of this progress to date. The initial $5 million allocation was utilized for preliminary environmental and planning work. The next installment of $15 million was allocated during the 2021 legislative session and has been essential in continuing engineering and design work. The project is at approximately 90% engineering and design, and staff were most recently in Baltimore at the Maritime Institute of Technology and Graduate Studies conducting ship simulations in partnership with the Coos Bay Pilots to gauge the safety in navigation of the target ship sizes that will be utilized in the channel once construction is completed. Preliminary studies that have been performed on the project have indicated that environmental impacts resulting from the project will be extremely minimal.

The Port is proposing to deepen and widen the Federal navigation channel from -37' deep and 300' wide to -45' deep and 450' wide from .8 miles outside the channel entrance to river mile 8.2.

The Port has an executed lease agreement with a private developer on port-owned property on Coos Bay's north spit to construct a container terminal which will utilize 100% rail for landside transportation and support the movement of 1.2 million TEU of inbound import containers and 800,000 TEU of outbound export containers. The proposed modifications to the channel will facilitate 14,000 TEU container ships calling at the Port of Coos Bay, opening a new and much needed trade lane for Oregon, the west coast, and the nation, and generate 6-8,000 permanent jobs in southwestern Oregon.

Our channel is ideally located on Oregon's southern coast. Our Port boasts the largest coastal deep-water channel from San Francisco to the Puget Sound. The navigation

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channel is just 15 miles long, taking only 2 hours to reach open ocean from river mile 15. The geographic location of the Port of Coos Bay is optimal for shipping to Asian and other international markets. Coos Bay has a comprehensive multimodal transportation network that includes convenient access to maritime, rail, air, and highway modes.

Congestion at major ports has continued to worsen for decades. The COVID 19 pandemic and other factors illustrated and highlighted congestion and supply chain issues that have been present for decades, just less visible to the general public. Additional gateways need to be established to better manage the flow of goods moving in and out of the west coast, and reduce greenhouse gas emissions related to trucking and ships having to anchor off shore while awaiting an available berth. Currently, most Oregon goods are trucked to the Ports of Seattle/Tacoma or Oakland for export. Where rail can result in up to 75% reduction in greenhouse gas emissions over trucking, Coos Bay offers an opportunity to construct a facility that looks toward the future, utilizing state of the art design and technologies to minimize environmental impacts associated with the transport of goods.

This project is significant for both Oregon's Southwestern region, and the State of Oregon. Over the past decades, maritime freight transportation has trended towards larger and larger ships, resulting in the need for wider and deeper navigational channels globally.

We are greatly appreciative of the financial support that the legislature has provided for this project to date, and respectfully request a final $40 million investment, which will serve as matching funds to support Federal investment for this project, which is estimated to have a total project cost of $500 million. Thank you for your time and consideration.

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