

135 American Bridge Way Reedsport, OR 97467 Phone: 541-271-1100 Fax: 541-271-1572 Oregon House Revenue Committee Oregon State Capital Hearing Room A Rep. Phil Barnhart, Chair

Monday, March 25, 2013

Chair Barnhart and Committee Members:

My name is Fred Jacquot, and I am the Sales Manager for American Bridge Manufacturing, in Reedsport, Oregon. I am writing you today in support of House Bill 3276.

American Bridge Manufacturing began operations at our Reedsport facility in March of 2003. Since that time, American Bridge Company has invested over \$25 million in buildings, equipment, and operations to bring the plant to its current capacity. A major reason for selecting the Bolon Island location was the access to highway, water, and rail transportation modes at a single location. To date, our plant has sold over \$46 million dollars in railroad, highway, and pedestrian bridges for projects throughout the middle and western United States.

American Bridge Manufacturing is currently the largest incoming shipper on the Coos Bay Rail Link, and rail freight service is vital to our business. Almost all domestic steel material is milled east of the Mississippi River, and 95% of our incoming materials are delivered by rail. Since the line has re-opened in October 2011, we have received 26 cars of steel plates and beams, and have shipped one complete bridge to Alaska via rail.

The Oregon International Port of Coos Bay purchased the line to preserve freight rail service to our region, for now and into the future. The port's continued investment in track, tunnels, and bridges is absolutely critical to ensuring this very important transportation link remains in service. Requiring the Port and Coos Bay Rail Link to pay property taxes on the line under an operating agreement will detract from this much needed investment. Without further funding for additional bridge and tunnel repair on this line, this line may once again face service restrictions and shut downs.

Please act favorably on House Bill 3276 and provide tax exempt status for this very important publicly owned infrastructure. Thank you.

Fred Jacquot

Sales Manager American Bridge Manufacturing.