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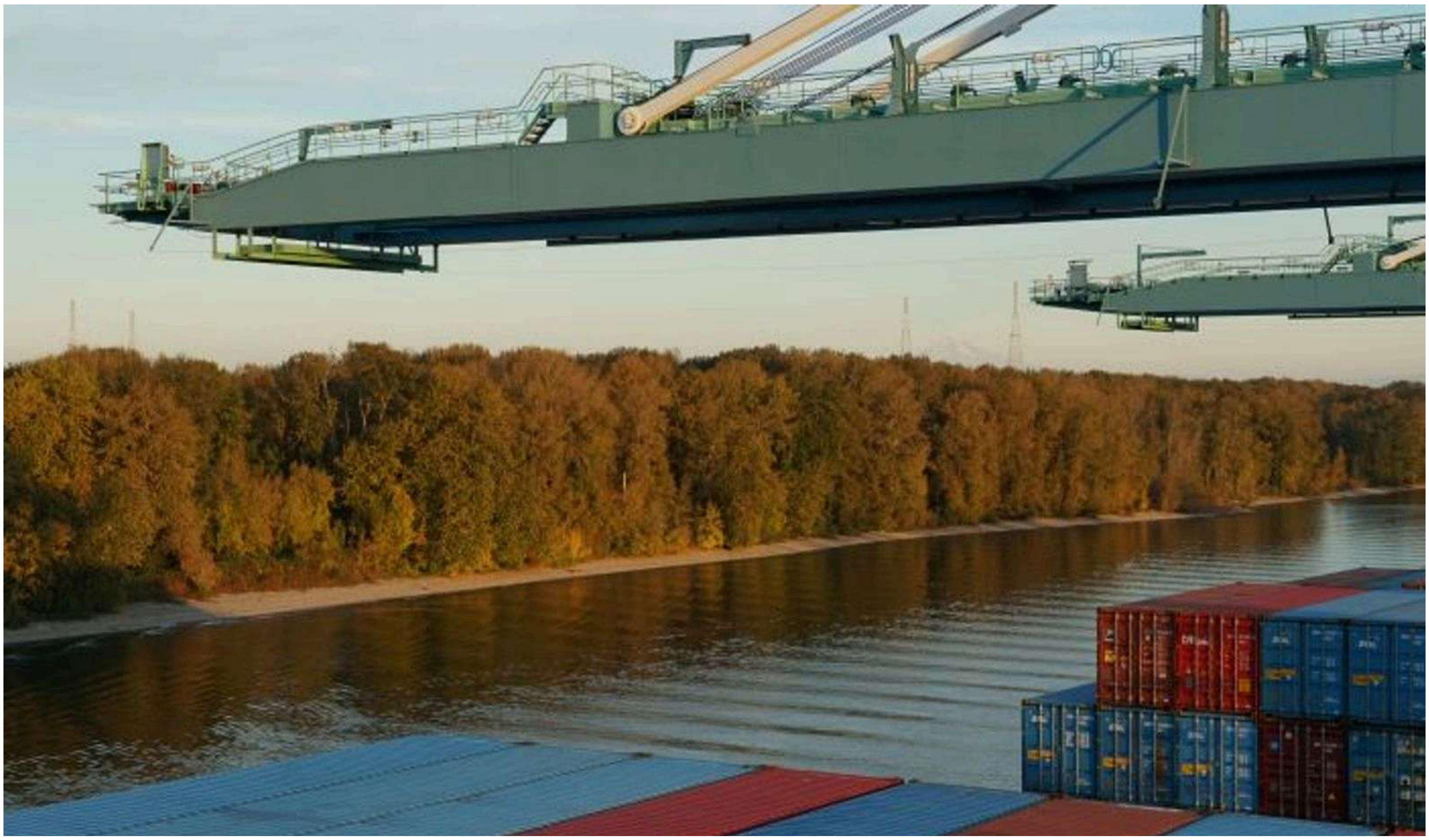
## Commentary

# Oregon's strategy for logistics projects: 'wing it' and hope



*Some industry observers believe that Oregon's "build it and they will come" policy is just a case of throwing good money after bad, writes Ted Prince. Photo credit: Luciavonu / Shutterstock.com.*

By Ted Prince, Journal of Commerce contributor | May 11, 2026, 6:04 PM EDT

Oregon's state motto is *Alis volat propriis*, which translates to, "She flies with her own wings." I am many years removed from high school Latin. However, when applied to the state's surface freight transportation policy, I might suggest agere ex tempore ("to act on the spur of the moment.")

Recently, the Port of Portland reopened Oregon Container Terminal (OCT) – nee Terminal 6 (T-6) – amid hopes that the latest private management agreement will help revive the port as a trans-Pacific container gateway. (It is already a major bulk and auto gateway.) This effort was supported by tens of millions of public dollars,

T-6 has quite a history. It was opened in the late 1970s, operated by the port, and it developed an extensive on-dock rail facility in 1987 where "K" Line (my employer at the time) centered its westbound Pacific Northwest service. Vessels discharged eastbound intermodal and reloaded local export at Tacoma, whereby the vessel then proceeded to Portland. There it discharged local Portland imports and loaded local exports and westbound intermodal – both rail and Columbia/Snake River barge.

It was a smooth and seamless operation. However, in the 1990s, ocean carriers were convinced that they needed to own and operate their own marine terminals. Portland resisted this vertical integration. It also had to deal with the urban legend of being a "river port" with the notorious bar to cross at Astoria.

A more significant issue was the loss of the barge feeder in favor of trucking to the ports of Seattle and Tacoma. The reason was the Ocean Shipping Reform Act of 1998 which ensured the end of shipping conferences. For many years, "K" Line defended the barge business by claiming that any attempt to truck the volumes to Sea/Tac was an impermissible cross-subsidy that was prohibited under conference rules.

This legerdemain was supported by selective accounting. The barge linehaul cost was lower than truck; however, the terminal handling at either end was buried and never considered. Once the TWRA Conference disappeared, the question became moot and the volume converted to truck to SeaTac.

The Port of Portland, under the able leadership of Bill Wyatt and Sam Ruda, ultimately yielded to private operation, and International Container Terminal Services, Inc. (ICTSI) was awarded a 25-year lease in 2010. It was terminated in 2017, following years of acrimonious labor disputes with the International Longshore and Warehouse Union (ILWU).

Some industry observers believe that Oregon's "build it and they will come" policy is just a case of throwing good money after bad. Unfortunately, T-6 is not the only case.

The state spent $35 million to build the Mid-Willamette Valley Intermodal Center. This 64-acre intermodal hub in Millersburg, Oregon, opened in December 2022 – and closed fourteen months later without having moved a single container. Ironically, the rail movement connected to SeaTac, not T-6.

As bad as Millersburg was, it got further than another Oregon project. The Treasure Valley Reload Center in Nyssa, Oregon, never even opened after receiving $25 million in state funding.

Coos Bay proposal

And, while barely keeping T-6 operational, there is an effort to establish yet another Oregon container terminal at Coos Bay.

If Coos Bay was a cat, it would be on its fourth or fifth life. It evolved as a 19th century deepwater harbor serving regional fishing, shipping and timber. 20th century changes to forest-product economics saw the port diversify into other bulk commodities. The 21st century plan for an LNG export terminal -- and pipeline – could not overcome public controversy.

While Coos Bay has deep water ocean entry, it lacks both highway and rail access that would take billions and unknown time to develop. Nevertheless, the project has secured significant federal funding, including a $25 million INFRA grant, to assist with planning, environmental compliance, and design. Local stakeholder alignment and funding/permitting for infrastructure are still problematic.

All the while, the I-5 Bridge replacement, a critical link connecting Portland and Vancouver, Washington, is expected to cost $14.4 billion. This represents a significant increase from the 2022 price tag of $5 to $7.5 billion (and the original price tag of $2 to $3 billion.)

Oregon has pumped money into T-6 and other projects with the belief the state required its own infrastructure – despite the availability of cost-effective solutions from California and Washington state ports. It might consider the saying “winging it is the art of trusting the next right move without a map.”

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