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Motor Carriers and Drivers, Transportation a Market Precursor, New Bridge, & Hawaii Mtn Trivia

As was recently reported, the motor carrier count in Oregon has dropped from approximately 10,000 in 2009 to around 6,000 today. Meanwhile, enforcement activity has picked up.

There are innumerable companies who are not involved in for hire motor carrier operations, operating vehicles over 10K and traveling into neighboring states. Unknown to many, those companies are required to obtain a USDOT # and put it on their vehicles. That means that they get CSA scores and the public gets to look at all of that information.

Those company drivers may also need to maintain driver logs. There is a 150 air-mile exemption for non CDL drivers, and a 100 air-mile exemption for CDL drivers. Once you get beyond those limits, you need to maintain logs. Even within those mileage constraints, there are record keeping requirements and hour constraints.

There is a learning curve for many companies and their drivers, some of whom are resistant to paperwork.

Dow Transportation Index: Where are we headed?

One of the benefits of being in the transportation biz is to know that you are on the cutting edge of what may lie ahead further down the road. Transportation is a good barometer of what is to come or not come.

Everyone knows that the Dow Jones Industrials is on a tear, up about 11 % this year. The Dow Jones Transportation, a precursor to

future activity, is up 17 %, which is a good omen for the industrials. But the transportation index is lagging lately, which does not bode well for future activity. The question of whether that is just a blip or a trend remains to be seen.

Ironically, the dysfunctional Congress has not negatively impacted the market. Although as a general rule it is good to have a divided Congress, which constrains new legislation which frequently translates to new regulation, our current Congress, which has scared the rating agencies, is taking this maxim to an extreme.

The New Columbia River Bridge: Trolling/Tolling for \$\$

As reported here last month, the proposed Columbia River bridge will not have a lift, meaning that until the bridge is later modified or collapses or is subject to some other structurally altering event, the passage of some vessels and cargo will forever be precluded.

Meanwhile, the new bridge will have tolls. Everyone agrees that these tolls will have a negative impact on the amount of traffic. The only question is the extent of that impact, which includes diversion to I-205, as well as some people simply deciding not to make the drive across the river.

Obviously, if tolls will affect traffic on the new bridge, tolls would affect traffic on the current bridge. The extent of that impact could be readily known if tolls were imposed on the old bridge. Those tolls would help determine what to realistically expect, revenue-wise, for the new bridge. It would also help determine the impact

on the diversion or elimination of some traffic from I-5.

What if tolls on the current bridge impacted traffic to the point that the current bottlenecks were substantially reduced or largely eliminated?

Meanwhile, the I-205 bridge, which is larger, already handles more traffic than the I-5 bridge. The question is how much more traffic can it handle before it becomes more of a bottleneck, and do you toll that?

As it is, 160 million in planning and engineering has been spent for a 3.4 billion bridge which does not contain a lift that would cost about 250 million. The build or not build debate takes a back seat to what the heck is going on here concern. You can advocate for a new bridge while at the same time seek more clarity on what to expect if this thing becomes a reality.

Meanwhile, the feds have the last word, which is a scary thought for many.

Freezing in Hawaii: Mountain Trivia

The family went to Kona recently, where my college age daughter and I climbed Mauna Loa, elevation 13680. Pretty brutal day, trail head at 35 degrees and 30 mph wind. Got a little better during the 8.5 hour grind. Mauna Loa is 135 times larger than Mt. Hood since its base goes below sea level, and is the largest mtn in the world. Mauna Kea, 100 feet higher next door, is the tallest mtn in the world - twice as tall as Everest. The worst part was going from sea level to close to 14K feet in one day.

That's it for now. Until next time, keep the cargo rollin'!

The Obligatory Disclaimer

This newsletter is for informational purposes, does not provide legal advice and does not create an attorney-client relationship.

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Short Bio

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