State of Washington

Freight Mobility Strategic Investment Board

1999 Activities and Recommendations Report

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Special Acknowledgments

*The Board would like to thank **Mr. Dennis Ingham** for his role as Executive Director from July 1998 to May 1999. In addition, the Board appreciates the time and assistance **Ms. Paula Hammond** has provided as the Executive Director (Interim) from June 1999 to November 1999. Also, the Board thanks member **Ms. Jennifer Joly**, Office of Financial Management, for her contributions.*

Finally, the Board would like to thank the FMSIB stakeholders for their support in this program, and the project proponents for presenting their projects and providing the Board with a better understanding of the freight mobility issues faced in Washington State.

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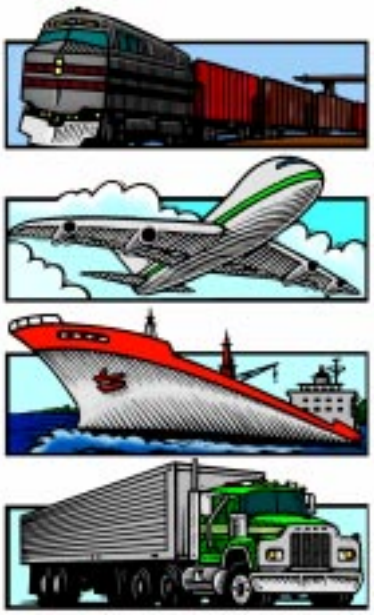

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Executive Summary

The 1998 Washington State Legislature created the Freight Mobility Strategic Investment Board (FMSIB) for the purpose of reviewing and recommending funding, on a prioritization basis, for the freight mobility projects that are of strategic importance to the state of Washington. The 1999 Washington State Legislature provided FMSIB with an appropriation in which to operate and designate transportation funds for freight mobility projects recommended by the Board.

To accomplish its purpose, the FMSIB undertook the following actions in 1999:

- Developed an operating budget based upon the 1999-2001 Transportation Budget signed by the Governor.
- Approved prioritized projects 1 through 33 based upon the 1999-2001 Transportation Budget signed by the Governor, identifying a total of $120 million for freight mobility projects statewide, based upon a six-year program.
- Coordinated with the freight mobility project stakeholders to provide the FMSIB with the opportunity to meet their partners and gain a better understanding of the mobility challenges faced throughout the state.
- Evaluated possible scenarios due to the impacts of Initiative 695 on the freight mobility program. Developed recommendations for the legislature's consideration.
- Identified staffing necessary to accomplish the goals of the FMSIB including the hiring of an Executive Director, establishing an office, and entering into an agreement with the Washington State Department of Transportation (WSDOT) to provide staff support to the Board.
- Adopted Washington Administrative Code rules under which the freight mobility program would operate.
- Considered issues for a future call of freight mobility transportation projects that would be recommended for funding to the 2001 Legislature.

The 1999-2001 Transportation Budget started the funding for the first 33 freight mobility projects that would be constructed over a six-year period for a total value of $997 million. FMSIB funding of $343 million would leverage nearly $654 million in partnership funding. This report presents the FMSIB's activities during 1999 and its recommendations to the 2000 Legislature. Meeting minutes recording the FMSIB's actions are available on the web site at *www.fmsib.wa.gov*.

1. History of FMSIB

In 1996, the Legislative Transportation Committee (LTC) designated the Freight Mobility Advisory Committee (FMAC) to analyze the state's freight mobility needs, identify high-priority freight transportation projects, and recommend policy to the legislature. The FMAC recommended that the state take the lead in implementing a freight mobility transportation program that would form funding partnerships among all the interested parties for improvements statewide along strategic freight corridors.

In 1997, the Washington State Department of Transportation (WSDOT) established the Freight Mobility Project Prioritization Committee (FMPPC) to recommend specific criteria for use in ranking freight mobility projects and established a statewide freight mobility project list.

Freight Mobility History

- 1996 – FMAC Designated
- 1998 – FMPPC Established
- 1998 – FMSIB Created

In 1998, the legislature created Chapter 47.06A RCW Freight Mobility, which established a state freight mobility policy and also the Freight Mobility Strategic Investment Board (FMSIB) for the purpose of reviewing, prioritizing, and recommending freight mobility transportation projects that are of strategic importance to the state of Washington.

The 12-member FMSIB includes representatives from cities, counties, ports, railroads, steamship operators, the trucking industry, the Governor's office, the Secretary of the Department of Transportation, and a public member. The Board is required to provide periodic progress reports on its activities to the Office of Financial Management and the Legislative Transportation Committee.

The Board was directed to solicit proposed freight mobility projects from public entities that meet the eligibility criteria summarized as follows:

- The project must be on a strategic freight corridor;
- The project must meet one of the following conditions:
    1. It is primarily aimed at reducing identified barriers to freight movement with only incidental benefits to general or personal mobility;
    2. It is primarily aimed at increasing capacity of the movement of freight with only incidental benefits to general or personal mobility; or
    3. It is primarily aimed at mitigating the impacts on communities of increasing freight movement, including roadway/railway conflicts; and
- The project must have a total public benefit/total public cost ratio of equal to or greater than one.

Chapter 47.06A RCW charged the FMSIB to evaluate and rank eligible freight mobility and freight mitigation projects by using the multi-criteria analysis and scoring framework developed by the

FMPPC. *(See Table 2 on page 17 of the FMSIB 1998 Activities and Recommendations Report.)* In addition, the FMSIB was directed to leverage the most partnership funding possible and give priority ranking to projects with the highest level of non-program funding. Furthermore, the legislation allows the Board to supplement and refine the priority criteria after June 2001, when they have gained expertise and experience in administering the freight mobility program.

By applying these conditions to the projects submitted, in 1998, FMSIB recommended to the legislature a list of prioritized freight mobility projects with a total value of $1.23 billion. This recommendation leveraged a state investment of approximately $472 million, with almost $760 million in partnership funding.

2. 1999 Legislative Action

The 1999 Legislature recommended to the Governor a biennial operating budget for the FMSIB. The Governor signed the 1999-2001 Transportation Budget (ESHB 1125) into law which provided the FMSIB with $600,000 for their operating expenses. Types of expenses include reimbursement of staff support by WSDOT, Transportation Improvement Board (TIB), and/or County Road Administration Board (CRAB); the hiring of an executive director and establishment of an office; travel expenses by the Board; and other services approved by the Board.

Also, included in the 1999-2001 Transportation Budget was a total of $120 million for the construction of the prioritized FMSIB projects. These funds were identified in the WSDOT capital program budget, with approximately $35 million for WSDOT lead projects and $85 million for local agency lead projects. Based upon these funding levels, FMSIB notified the project proponents for those prioritized projects 1 through 33 that they were eligible to enter into agreements with FMSIB.

FMSIB's Project Funding
$120 Million Total:

- $85 M for Local Agencies
- $35 M for WSDOT

A table presenting the freight mobility approved projects for initial funding appears on page 6.

In addition, amendments were made to RCW 47.06A that included the Board reporting its activities to the office of financial management and the legislative transportation committee; and providing the board the flexibility of either hiring an executive director or making provisions so those responsibilities are carried out by an existing transportation-related state agency or by private contract.

Table 1: FMSIB Approved Projects

Rank/Agency		Region	Project Name	Total Cost	Partner Share*	FMSIB Share	Percent FMSIB Share	FMSIB Share Running Total
		(see legend)		*($ millions)*	*($ millions)*	*($ millions)*		*($ millions)*
1	WSDOT	PS-F	SR 519 Intermodal Access Project	$ 146.89	$ 108.29	**$ 38.60**	26%	**$ 38.60**
2	WSDOT	PS	SR 509 South Access Completion	167.04	117.04	**50.00**	30%	**88.60**
3	Port of Seattle	PS-F	East Marginal Way Ramps	23.60	16.68	**6.92**	29%	**95.52**
4	WSDOT	PS-F	SR 509 / Port of Tacoma Rd. Grade Separation	33.67	24.67	**9.00**	27%	**104.52**
5	WSDOT	PS-F	SR 167, SR 509 to SR 161	44.53	32.33	**12.20**	27%	**116.72**
6	Pt. of Longview	WW	Port of Longview Alternate Rail Corridor	11.62	8.82	**2.80**	24%	**119.52**
7	WSDOT	GN	I-90 Snowshed	153.80	108.20	**45.60**	30%	**165.12**
8	Kelso	WW	Allen Street Bridge Replacement	25.50	22.39	**3.11**	12%	**168.23**
9	Port of Everett	PS-F	California St. Overcrossing / Port of Everett	10.00	5.00	**5.00**	50%	**173.23**
10	Port of Tacoma	PS	Lincoln Ave. Grade Separation	8.40	4.20	**4.20**	50%	**177.43**
11	Everett	PS-F	41st St. Railway Overcrossing / Riverfront Parkway	16.00	8.70	**7.30**	46%	**184.73**
12	Union Gap	EW	Valley Mall Blvd. Extension	10.00	5.02	**4.98**	50%	**189.70**
13	Seattle	PS-F	South Spokane St. Viaduct	57.57	32.57	**25.00**	43%	**214.70**
14	Auburn	PS-F	South 277th St. (BNSF and UPSP)	35.85	22.05	**13.80**	38%	**228.50**
15	Puyallup	PS-F	Shaw Rd. Extension	15.00	9.00	**6.00**	40%	**234.50**
16	Prosser	EW	Wine Country Rd.	13.50	4.73	**8.78**	65%	**243.28**
17	Port of Pasco	EW	SR 397 Ainsworth Ave. Grade Crossing	7.97	2.79	**5.18**	65%	**248.46**
18	Tacoma	PS-F	D St. Grade Separation	22.50	13.35	**9.15**	41%	**257.61**
19	Auburn	PS-F	3rd St. SW / BNSF	27.60	17.60	**10.00**	36%	**267.61**
20	Pierce County	PS-F	North Canyon Rd. Extension / BNSF Overcrossing	6.00	4.00	**2.00**	33%	**269.61**
21	Kennewick	EW	Columbia Center Blvd. Railroad Crossing	15.00	9.00	**6.00**	40%	**275.61**
22	Pierce County	PS-F	8th St. East / BNSF Mainline Grade Separation	10.00	6.00	**4.00**	40%	**279.61**
23	Tukwila	PS-F	S. 180th St. Grade Separation	15.00	9.00	**6.00**	40%	**285.61**
24	Colville	EW	Colville Alternate Truck Route	5.50	3.50	**2.00**	36%	**287.61**
25	Walla Walla	EW	SR 125 / U.S. 12 Interconnect (Myra Rd. Extension)	6.50	2.28	**4.23**	65%	**291.83**
26	Kennewick	EW	Edison St. Railroad Crossing	13.00	7.80	**5.20**	40%	**297.03**
27	Kennewick	EW	Washington St. Railroad Crossing	12.00	7.20	**4.80**	40%	**301.83**
28	Port of Kalama	WW	Port of Kalama Industrial Park Bridge	3.60	1.80	**1.80**	50%	**303.63**
29	Everett	PS-F	E. Marine View Drive Widening	6.10	5.50	**0.60**	10%	**304.23**
30	WSDOT	PS	SR 18 Weyerhaeuser Way to SR 167 Truck Lane	10.61	3.71	**6.90**	65%	**311.13**
31	Benton County	EW	Port of Kennewick Road (Extension of Piert Rd.)	1.84	1.32	**0.52**	28%	**311.65**
32	WSDOT	EW	SR 28, U.S. 2 / U.S. 97 to 9th St.	31.50	14.24	**17.26**	55%	**328.91**
33	WSDOT	EW	I-90 Argonne to Sullivan	28.75	14.75	**14.00**	49%	**342.91**
				$ 996.42	**$ 653.51**	**$ 342.91**		**$ 342.91**

Legend

EW – Eastern Washington
GN – Geographically Neutral
PS – Puget Sound
PS-F – Puget Sound-FAST Corridor
WW – Western Washington

** May include federal, county, city, port, railroad, other private and other state funds such as TIB and CRAB.*

3. Stakeholder Outreach

To ensure that FMSIB understood the various freight mobility issues project proponents faced, the Board made a concerted effort to hold its meetings throughout the state, including presentations and/or tours of local projects. These presentations and tours were instrumental in keeping the board members informed on project status and to give them a visual tool of the current conditions of the projects and benefits to be achieved through this program's funding.

Pierce County Area Projects

FMSIB's March meeting presentations focused on projects located in the Pierce County area of the state. Renée Montgelas, WSDOT's Office of Urban Mobility Director, gave an overview of the FAST Corridor (*F*reight *A*ction *ST*rategy for the Everett-Seattle-Tacoma Corridor) projects. FAST Corridor has identified a package of solutions to freight mobility problems between Everett and Tacoma. *(The 15 projects that make up the FAST Corridor are identified on the FMSIB approved project list, with the designation PS-F under the Region column.)* The following presentations were given:

a) Paul Chilcote, Port of Tacoma's Senior Director of Planning, Research and Budget, described the State Route (SR) 509/Port of Tacoma Road (Project 4) and the Lincoln Avenue Grade Separation (which is not part of the FAST corridor) (Project 10).

b) Al Tebaldi, City of Tacoma's Engineering Division Manager and Traffic Engineer, presented their 'D' Street Grade Separation project (Project 18).

c) Gary Predoehl, Pierce County's Program Development Manager, explained the North Canyon Road Extension/Burlington Northern Sante Fe (BNSF) Overcrossing and 8th Street East/BNSF Mainline Grade Separation projects (Projects 20 and 22).

d) Tom Heineke, City of Puyallup's Public Works Director, presented the Shaw Road Extension project (Project 15).

e) Bob Schuster, a consultant for the WSDOT Olympic Region, described the SR 167, SR 509 to SR 161 project (Project 5).

Tri-City Area Projects

In 1999, FMSIB held their meeting in Pasco which included a bus trip and a boat tour of some of the projects being proposed in the tri-city area. With cooperation from the Port of Pasco, City of Richland, and the Benton-Franklin Council of Governments (local MPO), the board members were able to get a better understanding of the needs for grade separations in the area and the impacts of the Columbia River draw down proposal.

Some of the projects discussed included: Port of Pasco's SR 397 Ainsworth Ave. Grade Separation (Project 17); City of Kennewick's Columbia Center Boulevard Railroad Crossing (Project 21), Edison Street Railroad Crossing (project 26), and Washington Street Railroad Crossing (Project 27); Benton County, Port of Kennewick Road (Project 31); City of Union Gap's Valley Mall Boulevard Extension; and City of Walla Walla's, SR 125/ U.S. 12 Interconnect (Project 25).

Along with the Board members, local area elected officials including: Leo Bowman, Benton County Commissioner; Sue Miller, Franklin County Commissioner; and Ben Bennett, Port of Benton Executive Director; participated in the tours to provide briefings on the projects.

King and Snohomish County Area Projects

The July meeting presentations focused on the FAST Corridor projects in the King and Snohomish County area. Ms. Renée Montgelas, Director of WSDOT's Office of Urban Mobility, explained how the FAST Corridor is comprised of 15 projects located between Tacoma/Seattle and Everett with partners from cities, counties, ports, and railroads to make these projects a reality. Also, FAST Corridor received a grant from the Federal Trade Corridor Program in the amount of $10 million. This was the second largest single award given in the nation. The presenters for FAST Corridor were:

a) Doug Levy, City of Everett, and Edmunds Paskovskis, Port of Everett, presented the Everett area projects. These projects included California St. Overcrossing (Project 9); 41st St. Overcrossing/ Riverfront Parkway (Project 11); and East Marine View Drive Widening (Project 29).

b) Terry Finn, Port of Seattle, Bruce Nebbitt, WSDOT, and Einer Handeland, a consultant for the City of Seattle, presented the Seattle area projects. These

projects included East Marginal Way Ramps (Project 3) and South Spokane St. Viaduct (Project 13).

c) Brian Shelton, City of Tukwila, and Jack Locke and Joe Bangah, City of Auburn, presented the South Seattle area projects. These projects included South 277th St. (BNSF and Union Pacific/Southern Pacific: UPSP) (Project 14); 3rd St. SW/BNSF (Project 19); and South 180th St. Grade Separation (Project 23).

In addition to the presentations, FMSIB members took a helicopter tour of the projects. Special recognition goes to the Ports of Tacoma and Seattle for the helicopter tour, and to Paul Chilcote, Port of Tacoma, for acting as tour guide.

Spokane and Stevens County Area Projects

The October meeting was held in the city of Spokane. Spokane has two directions of major highway corridor; I-90 through the middle and Highways 2 and 395 running north from the city center. Spokane is the largest city between Calgary and Salt Lake City, and Minneapolis and Seattle. There are also two railroad corridors that go through Spokane and it has the second largest airport in the state moving freight. The following presentations were given:

a) Brent Rasmussen, WSDOT Eastern Region Local Programs Engineer, explained the Colville Alternate Truck Route (Project 24).

b) Jim Haines, Spokane County Program Development Engineer, described the two county projects, Park Road at BNSF Main Line (Project 34), and Barker Road at BNSF Main Line (Project 40).

A typical railroad crossing impeding traffic in Spokane.

c) Mike Frucci, WSDOT Eastern Region Project Development Engineer, presented three WSDOT projects: Interstate 90 (I-90) Argonne to Sullivan (Project 33); I-90 Sprague to Argonne (Project 42); and I-90 Sullivan to Harvard (Project 44).

Southwest Washington Area Projects

FMSIB's November meeting presentations focused on projects located in the southwest area of the state. The projects included two separate port area projects and a City of Kelso project which is currently under construction. The following presentations were given:

a) George Cress, Director of Planning and Development for the Port of Longview, explained their Alternate Rail Corridor project (Project 60).

b) Mark Wilson, Manager of Planning for the Port of Kalama, presented the Industrial Park Bridge project (Project 28).

c) Jerry Sorrell, City of Kelso's Project Manager, described the Allen Street Bridge Replacement project (Project 8), currently under construction.

In addition to the presentations, FMSIB members took a tour out to the Allen Street Bridge Replacement project to see the construction in progress.

Jerry Sorrell describing the Allen Street Bridge Replacement project in Kelso.

4. Status of Freight Mobility Projects

Many of the projects were ready to proceed upon passage of the 1999-2001 Transportation Budget. However, as the freight mobility program was prepared to proceed, Initiative 695 proponents gathered enough signatures to place the measure on the November ballot, thus jeopardizing freight mobility project funding.

With the uncertainty in funding for the freight mobility program, FMSIB took the position that it was not prudent to enter into agreements committing these funds due to the uncertainty of their future availability. **However, the Board determined that agencies with approved projects wanting to move forward could enter into an agreement with the Board, with the understanding that the agencies would bear all financial risk for advancing their project.** The Board further stipulated that if FMSIB received any program funding, the date of the signed agreement would be the starting point for requests for reimbursement.

More importantly, it is the intent of the Board that any agreements signed shall not modify the project priorities previously determined by the Board. The agencies that have contracts with the Board are:

Rank	Agency	Project Name	$ Amount	Phase
8	Kelso	Allen Street Bridge Replacement	$ 3.108 M	CN
9	Port of Everett	California St. Overcrossing	$ 0.35 M	PE
19	Auburn	3rd St. SW	$ 0.40 M	PE/RW
28	Port of Kalama	Pt. of Kalama Industrial Park Bridge	$ 1.80 M	CN

In addition, some agencies have been challenged by the Endangered Species Act (ESA) requirements. This requirement has agencies reviewing the impacts their projects might have on the protected species in the area. Depending upon the impact on the protected species, federal concurrence is necessary prior to a project proceeding to construction. These rules have placed an additional burden on the local, state, and federal agencies.

Allen Street Bridge Replacement, City of Kelso

The only exception to the Board's ruling on financial risk is the City of Kelso's, Allen Street Bridge Replacement project (Project 8). The contract was awarded prior to Initiative 695 being certified for placement on the November ballot. The contractor General Construction, Poulsbo, was awarded the project in the amount of $14.3 million. General Construction began constructing the work trestle and completed on the work in the Cowlitz River within the "fish window" deadline. Demolition of the building in the area was completed as well as the utility companies essential relocation or abandonment of their respective services.

Early construction on Allen Street Bridge, City of Kelso

Currently, the drilled shafts for the piers, varying from 50 to 100 feet deep, are under construction and the contractor is on schedule. Before Christmas, the contractor plans to set girders over the river, and by late spring 2000, traffic

More construction on Allen Street Bridge, City of Kelso

will be moved on to two of the four lanes of the new bridge. With traffic rerouted, the old bridge will be demolished and the final stage of the new bridge will be completed, providing a four-lane facility. General Construction anticipates expenditures of the $14.3 million contract as follows: $4.3 million by the end of 1999; $9.7 million in 2000, with the remainder in 2001.

Future Call for Projects

In the spring of 1999, FMSIB began reviewing the multi-criteria analysis and scoring framework developed by FMPPC for the next call for projects. The current legislation requires the Board to use this framework, however the Board is looking at ways to better define the criteria for the agencies applying for these funds. Some of the criteria was vague and FMSIB plans to provide the applicants with more direction.

FMSIB has also decided that if a project was not one of the first 33 projects of the Board's approved list, the agency would have to apply again and compete for funding. This approach allows emerging corridor projects the same opportunity to compete for funding.

5. Impacts of Initiative 695

The passage of Initiative 695 (I-695) effectively eliminated the entire $120 million that the legislature had previously authorized for FMSIB approved prioritized projects 1 through 33. Much of the local match money was also lost.

As previously stated, the Allen Street Bridge Replacement project (Project 8) was started prior to the filing of the Initiative and is currently under construction. The FMSIB contribution toward this project was to have been $3.1 million. Since the FMSIB money was eliminated by the passage of I-695, WSDOT has earmarked $3.1 million of their dollars to honor the FMSIB contract.

In November 1999, the Board sent a letter to all agencies with FMSIB funds asking them to respond to five questions.

1. Is this a project that is ready to go to construction before June 30, 2001?
2. Is all partnership funding committed (in light of I-695)?
3. Is partnership funding at risk if freight mobility funds were eliminated?
4. Is the cash flow accurate?
5. Is this a project that can be delayed until the next biennium?

Based upon the responses, FMSIB is working with the various partners on the projects to preserve as many of the partnerships as possible. If partnership dollars are withdrawn from a FMSIB project to support another priority, it could endanger the future viability of the project. If a project is held up because one partner has withdrawn, it would be very difficult to keep other partnership dollars committed when a project is not moving forward.

For projects that have received Transportation Equity Act for the 21st Century (TEA-21) federal funds, particularly on projects such as FAST and regionally significant projects, the Board is concerned that if projects do not demonstrate to the Federal Highway Administration (FHWA) that the funds are being utilized, these and other projects may not compete well nationally to receive additional funds from the subsequent rounds. Applications for Fiscal Year 2001 have already been submitted to FHWA, however, Washington State has been notified that projects need to be progressing with previously awarded money, to be considered for any additional funds out of the discretionary programs.

In weighing all the factors, FMSIB established its priorities in recommending projects to the legislature:

- Maintain the priority list where possible;
- Match current federal dollars so future applications are competitive;
- Phase large projects so we continue to make progress;
- Consider primarily projects ready to construct;
- Maintain partnerships that could be lost;
- Leverage all partnerships;
- Preserve emergent right of way needs;
- Verify partnership funding committed;
- Work with the Transportation Improvement Board (TIB) on advancing applications where projects anticipate funding to the category of committed funding;
- Geographic distribution equalized over time due to reduced funding.

From this additional information, the Board will be submitting a supplemental project status report providing an up to date guideline to assist the legislature in making investment decisions. A

recommendation by FMSIB of their project prioritization will also be provided. This project status report will be continually updated as additional information is received, and updates will be transmitted to the House and Senate Transportation Committee chairs and staff during the 2000 Session to aid in decision making. Additional copies will be available to whomever wishes to receive one.

Throughout the discussions with project proponents, some partners have increased their match share to help offset some of the lost revenue; or they are starting the project with their own funds in anticipation that the state dollars will be added later; understanding that only the legislature and the Governor can make this commitment.

6. FMSIB Administration

Throughout 1999, the Board had some changes to its staffing as well as adopting rules and procedures for the program administration.

FMSIB Staffing

A. **Board Membership** – At the January 1999 FMSIB meeting, Mr. Ross Kelley, Spokane County's Assistant County Engineer, and Ms. Patricia Otley, Director of Governmental Affairs for Burlington Northern Santa Fe Railway, were welcomed as newly appointed members of the Board. They were appointed as a county representative and the railroad representative respectively, with terms to expire in June 2002.

B. **Executive Director** – With the signing of the 1999-2001 Transportation Budget in June 1999, FMSIB reviewed their projected expenditures. FMSIB determined that they would hire an executive director.

Dennis Ingham, former WSDOT Assistant Secretary of TransAid Service Center and FMSIB Executive Director, announced his retirement effective the end of May 1999. The FMSIB then named Paula Hammond, WSDOT Assistant Secretary of Highways and Local Programs Service Center (previously TransAid and Highways and Local Roadways) as the interim executive director. Ms. Hammond's appointment was interim until FMSIB could select a new executive director.

FMSIB members at a recent meeting.

FMSIB developed a statewide recruitment announcement for the executive director. The recruitment announcement focused on the applicant's ability to advocate and coordinate with stakeholders for the continuation of a freight mobility program in Washington State. The recruitment resulted in 18 applications from which a subcommittee of the Board interviewed four highly qualified candidates. A second interview was conducted before the entire Board membership and the Board selected Ms. Karen Schmidt as the Executive Director of FMSIB, to begin on November 8, 1999. Ms. Schmidt has 19 years with the Washington State Legislature where she served on the Legislative Transportation Committee. Her experience and vision for the freight mobility program will be a significant asset for the program's success.

Also, the representative of the Office of Financial Management was Ms. Jennifer Joly, the Governor's Transportation Policy Analyst. Ms. Joly left the Governor's Office to assume a new position in the legislature. This position is awaiting a new appointment.

C. **Staff Support** – With FMSIB having a separate operating budget, it was required to contract with another agency for staff support. FMSIB entered into an interagency agreement with the WSDOT Highways and Local Programs Service Center for staff services. This agreement allows WSDOT to act on the Board's behalf for administrative duties of the program.

FMSIB WACs

The FMSIB adopted rules and procedures that were necessary to the implementation of the freight mobility program. These policies are identified in Title 226 of the Washington Administrative Code (WAC) and became permanent in September 1999. The following is an overview of each WAC 226 chapter.

Chapter 226-01 WAC: Description of Organization
The Freight Mobility Strategic Investment Board (FMSIB) is a 12-member board which administers the freight mobility strategic investment program. It is the program's intent to require strategic, prioritized freight investments that reduce barriers to freight movement, maximizes the total public benefit/total public cost ratio, and solves regional freight mobility problems. FMSIB holds regular public meetings on the third Friday of every odd numbered month.

Chapter 226-02 WAC: Public Access to Information and Records
The executive director of FMSIB is in charge of all public records. This person is responsible for implementing rules and regulations pertaining to the release of public records. Anyone from the public may obtain a copy of the public records by addressing a request to the executive director.

Chapter 226-12 WAC: Submission of Proposed Freight Mobility Projects to Board (FMSIB)
Applications for proposed projects are submitted to the Board by public agencies who are requesting funds. Until the end of the 1999-2001 biennium, the Board will use the multi-criteria analysis and scoring framework, developed by the Freight Mobility Project Prioritization Committee for ranking and evaluating freight mobility projects. The prioritization process used by the Board will measure how projects address important Strategic Freight Mobility Investment Program objectives. For projects funded after June 30, 2001, the Board may supplement and refine the initial project criteria and scoring framework.

Chapter 226-16 WAC: Requirements for Freight Mobility Project Development
All construction work done by a public agency using FMSIB funds will use advertisement, competitive bid, and contract except for utility and railroad relocations and adjustments; and installations of traffic control devices. Also, all projects using board funds will be planned, designed, and constructed under the supervision of a professional engineer licensed in the state of Washington.

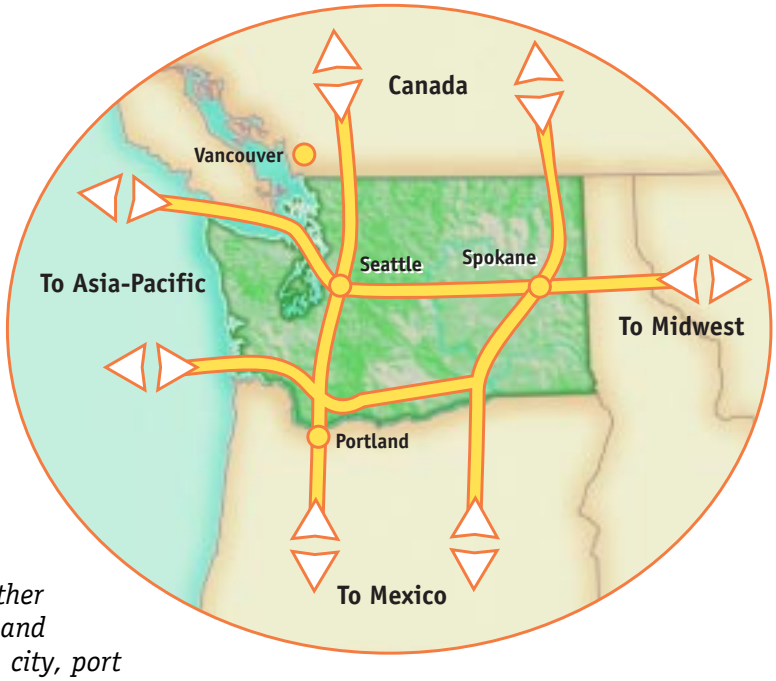
FMSIB will appropriate the first 55 percent of funds to the highest priority projects without regard to location. The remaining funds will be distributed equally among the Puget Sound region, Western Washington region, and Eastern Washington region areas. Work must begin on a project within 12 months of the date the Board approved the project for funding unless the Board grants an extension. The Board will authorize project approvals on a phase-by-phase basis to monitor project expenditures and assure that delayed projects are not tying up freight mobility funds.

Chapter 226-20 WAC: Financial and Payment Requirements
The Board gives preference to projects that have the greatest levels of financial participation from non-program fund sources. The Board considers 20 percent as the minimum partnership contribution unless they grant a special exception. Authorized projects that are afterwards canceled will be eligible for reimbursement if the project was developed in good faith. If reimbursement is authorized, the Board's share of the project can not go beyond the original matching ratio.

7. Recommendations to the Legislature

The legislature's commitment to the freight mobility program is essential to Washington's economy since the state is one of the most trade dependent states in the nation. Washington is highly dependent on an efficient multi-modal transportation system to remain competitive and therefore established a freight mobility policy.
The policy is part of Chapter 47.06A RCW, *Freight Mobility* and reads:

> *"Limited public transportation funding and competition between freight and general mobility improvements for the same fund sources require strategic, prioritized freight investments that reduce barriers to freight movement, maximize cost-effectiveness, yield a return on the state's investment, require complementary investments by public and private interests, and solve regional freight mobility problems. State financial assistance for freight mobility projects must leverage other funds from all potential partners and sources including federal, county, city, port district, and private capital."*



The State Legislature's 1999-2001 biennial budget recognized the significance of the freight mobility program by:

- Recognizing FMSIB as a separate agency.
- Providing $120 million for freight mobility projects recommended by the Board in this biennium.

This commitment by the legislature has:

- Washington State moving forward on the top 33 freight mobility projects identified as significant to improving our trade position with a total program value of $997 million.
- Assisted Washington State to leverage money to be competitive in the Federal Trade Corridor and Border Crossing Program.
- FMSIB funding of $343 million leveraged nearly $654 million in partnership funding.

FMSIB recognizes that a successful freight mobility strategy requires a consistent long-term commitment to ensure that freight mobility projects and corridors are built and to see that emerging choke-points and barriers are addressed. A long-term freight mobility commitment should: increase

the state's market share of freight movement; relieve communities of the impact of the growth in freight movements; minimize the impact of population growth on freight mobility; allow our manufacturing and agriculture communities to compete well in an international market; and ensure the free flow of goods along strategic freight corridors.

The freight mobility program has also identified how essential partnerships are in making these types of projects happen. Gone are the days where significant projects can be funded by one agency; now a project must have committed funding from multiple partners (e.g., federal, state, local agency, and private industry) to succeed. Having fund sources that are contingent on availability restricts entities committed to being an active player in funding a major project in the state, and can jeopardize necessary projects.

FMSIB understands the many ways in which funding needs to flow, however, to maintain Washington State's economic vitality a dedicated source of funding is essential for the freight mobility program. Establishing a dedicated fund source for the freight mobility program will enable Washington State to be competitive in programs like the Federal Trade Corridor and Border Crossing programs (Section 1118 and 1119) which also requires matching funds.

Future Directions

1. Assure the freight mobility projects are a high priority to receive funds from the 2000 Legislature.

2. Review project schedules for timing because of the challenges agencies are facing with funding uncertainty, endangered species act (ESA), etc.

3. Work to provide a new prioritized project list for the 2001 Legislative Session.

4. Consider changes in the threshold eligibility criteria.

5. Consider supplementing and refining the initial project priority criteria and scoring framework developed by the FMPPC due to the expertise and experience the Board gained in administering the freight mobility program.

6. Ensure that the statewide multi-modal transportation plan addresses freight mobility needs and provides for the safe, reliable, and efficient movement of goods within and through the state.

7. Review strategic waterway corridor criteria and the ways in which ports are integrated in corridor designations.

8. Develop a detailed workplan, including project application process, that corresponds with other transportation agencies' planning and funding cycles.

A supplemental project status report is being prepared.

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