

2014

IMPROVING FREIGHT CORRIDORS

TO BENEFIT THE STATE'S ECONOMY & LOCAL COMMUNITIES



FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD 2014 ANNUAL REPORT

DEAR FRIENDS OF FREIGHT:

Freight Mobility Strategic Investment Board (FMSIB) members include representatives from ports, railroads, the marine sector, trucking, cities, counties, the state, and citizens at large. This representation is key to FMSIB's success in facilitating partnerships to fund and to build complex projects. Freight movers, like other users of the system, benefit when the state invests in preserving and maintaining our state's transportation system. For this reason, freight stakeholders are in strong support of a transportation package and can accept increases in fees and taxes if they are directly reinvested into the transportation network.

Earlier this year, the Washington Freight Advisory Committee (WFAC), a FMSIB standing subcommittee, partnered with WSDOT in the development of the Washington State Freight Mobility Plan. Among other recommendations, the report urges the state to address the over \$1 billion in identified at-grade rail crossing needs in a systematic way. Since its inception, FMSIB has participated in funding 22 grade separations at a total value of \$353.5 million. But there remains a tremendous amount of work ahead.

Washington State is at a transportation crossroads where new ways of doing business and new forms of partnership are needed. One example is the historic partnership announced by the Ports of Seattle and Tacoma in October 2014 to unify management of the two ports' marine cargo terminals in a seaport alliance. By joining forces, Seattle and Tacoma will rank as the third-largest container gateway in North America. This courageous step is in the public's interest and demonstrates how partnerships can sustain a favorable business climate.

Freight transportation providers are working to become more fuel efficient and reduce emissions because their customers and the markets they serve demand it. The trucking industry is deeply involved with the EPA's SmartWay program launched in 2004 to advance technologies and operational practices in the freight supply chain to move more goods, more miles, with lower emissions and less energy. The Ports of Seattle and Tacoma are part of the Northwest Ports Clean Air Strategy and are making strides to achieve the goal of an 80% reduction in diesel particulate matter emissions per ton of cargo by 2020. The rail industry is employing a variety of technologies to reduce emissions including idle controls, GenSet switch locomotives, telematics, and intermodal automated gate systems like the FMSIB funded electronic gate developed in partnership with the Port of Seattle and Union Pacific to improve truck efficiency when entering Argo Yard.

While freight providers continue to seek ways to be more environmentally responsive, there is a strong interest in ensuring the state regulatory environment works in concert with the freight industry and does not put in place environmental standards that favor one freight mode over another, or place Washington based freight movers at a competitive disadvantage nationally.

This year also marked a significant transition for FMSIB with the retirement of FMSIB's first Executive Director, Karen Schmidt. During her tenure, Karen facilitated completion of 48 freight projects, leveraging \$150 million in FMSIB funding for a total investment of \$639 million. Karen's legacy includes elevating awareness about the importance of freight to the state's economy and fiercely advocating for freight corridor investments.

We are looking ahead to building on the innovations and successes of our partners in making Washington state's freight network a top performer.



Sincerely,

A handwritten signature in blue ink that reads "Ashley Probart".

Ashley Probart
Executive Director

HIGHLIGHTS: PROJECTS COMPLETED IN 2014

CITY OF RENTON, STRANDER BOULEVARD AND SW 27TH STREET CONNECTION

This project opens a new grade-separated multi-lane roadway underneath the Union Pacific and BNSF tracks serving the Southcenter industrial area.

Phase 1: **Total project cost: \$5.91M, FMSIB share: \$1.25M**

Phase 2: **Total project cost: \$16.6M, FMSIB share: \$6.5M**

(Phase 3 is scheduled for 2015-2021 and the City of Tukwila is the lead agency: **Total project cost: \$37M, FMSIB share: \$5M**)



KING COUNTY, SOUTH PARK BRIDGE REPLACEMENT

The South Park Bridge is a secondary route providing redundancy for trucks needing an alternate route to the 1st Avenue South Bridge during bridge openings.

Total project cost: \$158 M, FMSIB share: \$5M



CITY OF YAKIMA, GRADE SEPARATED RAIL CROSSING

Yakima had two streets in the downtown core that were at-grade crossings of the BNSF Stampede rail line creating long delays for trucks accessing the fruit warehouses adjacent to the rail line and creating safety concerns with emergency vehicles unable to cross the tracks when needed. Phase A constructed the undercrossing of the rail line at Lincoln Street and Phase B is an undercrossing of Martin Luther King Boulevard.

Total project cost: \$46.05M, FMSIB share: \$7M



PORT OF VANCOUVER USA, RAIL TIE-IN TO MAINLINE

Over the past decade, FMSIB has been a partner with the Port of Vancouver USA in their implementation of the West Vancouver Freight Access project. An early phase removed a barrier outside the Port's entrance which increased velocity and capacity to the national rail system. The Rail Tie-in to Mainline project constructed a concrete rail trench adjacent to the Columbia River near the existing BNSF Rail Bridge, provides new access to the port, and significantly reduces congestion on the North/South mainline by removing an at-grade crossing.

Total project cost: \$38.34M, FMSIB share: \$6.3M



FMSIB PROJECT MAP

FMSIB balances its project selection between Eastern Washington, Western Washington, and Puget Sound.

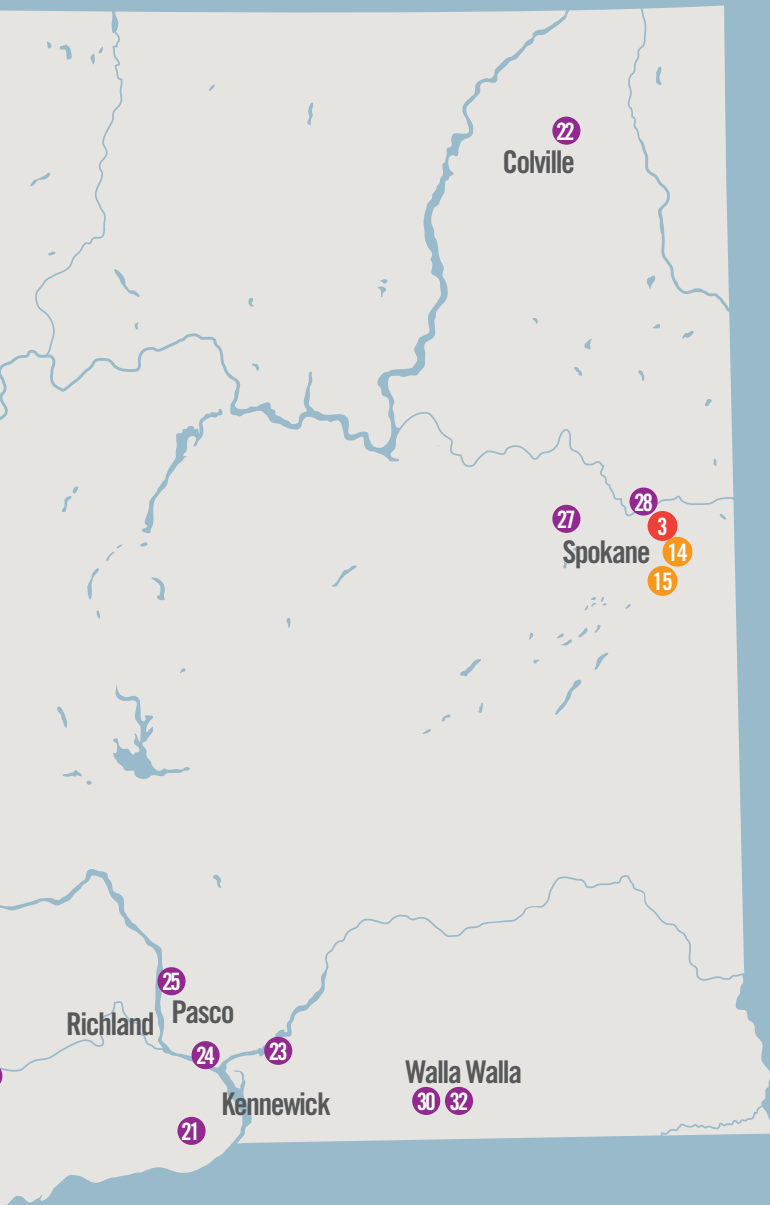
COMPLETED LIST 1998-2014

EASTERN WASHINGTON REGION

- 21 Benton County, Piert Road Extension
- 22 City of Colville, Colville Alternate Truck Route
- 23 City of Kennewick, Columbia Center Boulevard Railroad Crossing
- 24 Port of Pasco, SR 397 Ainsworth Avenue Grade Crossing
- 25 WSDOT-City of Pasco, US 395 Hillsboro Street Interchange
- 26 City of Prosser, Wine Country Road
- 27 City of Spokane, Havana Street/BNSF Grade Separation
- 28 City of Spokane, Freya Avenue Bridge
- 29 City of Union Gap, Valley Mall Boulevard Extension
- 30 City of Walla Walla, Myra Rd at the Dalles-Military Rd & US 12/SR 125 Interconnect
- 31 City of Yakima, River Road Improvements
- 32 WSDOT, US 12/124 to SR 730
- 33 City of Yakima, Lincoln Street and MLK BNSF Grade Separation

PUGET SOUND REGION

- 34 City of Auburn, 3rd Street SW BNSF Crossing
- 35 City of Auburn, South 277th Street Grade Separations
- 36 City of Auburn, M Street SE Grade Separation
- 37 City of Fife, 70th Avenue and Valley Avenue Widening
- 38 City of Fife, Pacific Highway East/Port of Tacoma Road to Alexander
- 39 City of Everett, 1-5/41st Street, Phase 1 Ramp
- 40 City of Everett, East Marine View Drive Widening
- 41 City of Everett, 41st Street Overcrossing/Riverfront Parkway
- 42 Port of Everett, California Street Overcrossing to Port of Everett
- 43 City of Kent, South 228th Street Extension & Grade Separation, Phase
- 44 Pierce County, 8th Street East Grade Separation
- 45 Pierce County, Cross Base Highway, Phase 1
- 46 City of Puyallup, Shaw Road



PROJECTS UNDERWAY IN 2014

- 1 City of Fife, Port of Tacoma Road
- 2 Port of Seattle, East Marginal Way Truck Crossover & Argo Yard Truck Roadway
- 3 Spokane Valley, Sullivan Road West Bridge Replacement
- 4 Port of Vancouver USA, Bulk Facility Track Location

PROJECTS AWARDED IN 2014

- 5 City of Tacoma, Port of Tacoma Road Rehabilitation
- 6 City of Marysville, SR 529/I-5 Interchange Expansion
- 7 City of Des Moines, South 216th Street Segment 1-A

PROJECTS SCHEDULED 2015-2021

- 8 City of Kent, S. 228th Street Grade Separation Phase 3
- 9 City of Everett, Port of Everett to I-5 Improvements
- 10 City of Seattle, Duwamish Truck Mobility Improvements
- 11 City of Tacoma, SR 99 Puyallup River Bridge
- 12 City of SeaTac, Connecting 28th and 24th Avenue South
- 13 City of Kent, S. 212th Street BNSF Grade Separation
- 14 City of Spokane Valley, Barker Road/BNSF Grade Separation
- 15 Spokane County, Bigelow Gulch/Forker Road Realignment
- 16 City of Tukwila, Strander Boulevard/SW 27th to West Valley
- 17 City of Fife, Port of Tacoma Road Interchange
- 18 City of Marysville, SR 529/I-5 Interchange Expansion
- 19 City of Tacoma, Port of Tacoma Road Rehabilitation
- 20 City of Des Moines, South 216th Street Segment 1-A

- 47 City of Seattle, Duwamish Intelligent Transportation System (ITS)
- 48 Port of Seattle, SR 518 at Airport Drive Eastbound Lane Addition
- 49 Snohomish County, Granite Falls Alternative Route, Phase 1
- 50 City of Tacoma, D Street Grade Separation
- 51 Port of Tacoma, Lincoln Avenue Grade Separation
- 52 City of Tukwila, 180th Street Grade Separation
- 53 City of Woodinville, SR 202 Corridor Improvement
- 54 WSDOT, SR 519 Intermodal Access Project
- 55 WSDOT, SR 509/Port of Tacoma Road Grade Separation
- 56 WSDOT, SR 18 Weyerhaeuser Way to SR 167 Truck Lane
- 57 City of Renton, SW 27th/Strander Boulevard Connection
- 58 King County, South Park Bridge Replacement

WESTERN WASHINGTON

- 59 City of Bremerton, SR3/304 Transportation Improvement Project
- 60 City of Kelso, Allen Street Bridge Replacement
- 61 Port of Kalama, Industrial Park Bridge
- 62 Port of Kalama, Grain Terminal Track Improvements
- 63 City of Longview, SR 432/SR 433 Turn Lane Improvements
- 64 City of Longview, SR 432 Improvements/3rd Avenue Off Ramp Widening
- 65 Port of Longview, Port Alternate Rail Corridor
- 66 WSDOT-City of Sumas, SR 9-SR 546/Nooksack Road Vicinity to SR 547/Cherry Street
- 67 Port of Vancouver USA, Port Rail Access, Phases 1 and 2
- 68 Port of Vancouver USA, Rail Tie-in to Mainline

HIGHLIGHTS: PROJECTS AWARDED IN 2014

CITY OF TACOMA, PORT OF TACOMA ROAD REHABILITATION

This project will replace the road with concrete panels that can withstand heavier truck movements and will also include ITS infrastructure to facilitate future truck traffic in anticipation of the Port of Tacoma Road Interchange completion.

Total project cost: \$8.86M, FMSIB share: \$1.0M

CITY OF MARYSVILLE, SR 529/I-5 INTERCHANGE EXPANSION

This project will add a ramp to I-5 at the south end of the city for unimpeded access and will bypass multiple BNSF rail crossings that bisect the city.

Total project cost: \$47.5M, FMSIB share: \$5.0M

CITY OF DES MOINES, SOUTH 216TH STREET SEGMENT 1-A

This project will result in a five-lane corridor and will eliminate a bottleneck at 28th/24th Avenue South. The corridor will serve freight movement to the Port of Seattle and Kent Valley.

Total project cost: \$8.15M, FMSIB share: \$.892M

HIGHLIGHTS: PROJECTS ACTIVE IN 2014

CITY OF FIFE, PORT OF TACOMA ROAD

This multiphase project will improve the I-5 on-off ramps at Port of Tacoma Road eliminating backups onto the roadway and improving freight mobility to and from the port.

Phase 1: Total project cost: \$18.5M, FMSIB share: \$3M

Phase 2: Total project cost: \$7.5M, FMSIB share: \$5M

Phase 3: Total project cost: \$27.8M FMSIB share: \$8.2M

PORT OF SEATTLE, EAST MARGINAL WAY TRUCK CROSSOVER AND ARGO YARD TRUCK ROADWAY

This multi-phase project improves safety by eliminating a difficult weaving maneuver, improves truck access with electronic gates to the Union Pacific Argo rail yard, and reduces traffic queuing on SR 99 benefiting freight and general traffic.

Total project cost Argo electronic gate: \$15M, FMSIB share: \$3.75M

SPOKANE VALLEY, SULLIVAN ROAD WEST BRIDGE REPLACEMENT

This project serves a heavily travelled route to I-90 and will replace and add capacity to the failing Sullivan Road West Bridge.

Total project cost: \$19.75M, FMSIB share: \$2M

PORT OF VANCOUVER USA, BULK FACILITY TRACK LOCATION

This two-phase project will add over 70,000 feet of rail and increased capacity for improved freight movement which will allow port and port tenants, including Suburu America, to utilize unit trains.

Total project cost: \$39.5M, FMSIB share: \$3.45M



LOOKING AHEAD: PROJECTS 2015 – 2017

CITY OF SEATTLE, DUWAMISH TRUCK MOBILITY IMPROVEMENT PROJECT

Total project cost: \$7.18M, FMSIB share: \$2.38M

CITY OF KENT, SOUTH 228TH STREET GRADE SEPARATION (PHASE 3)

Total project cost: \$25.0M, FMSIB share: \$3.25M

CITY OF TACOMA, PUYALLUP RIVER BRIDGE REPLACEMENT

Total project cost: \$30M, FMSIB share: \$5M

CITY OF EVERETT, PORT OF EVERETT TO I-5 IMPROVEMENTS

Total project cost: \$4.3M, FMSIB share: \$0.4M

SPOKANE VALLEY, BARKER ROAD BNSF GRADE SEPARATION

Total project cost: \$49.1M, FMSIB share: \$10M

SPOKANE COUNTY, BIGELOW GULCH/ FORKER ROAD REALIGNMENT

Total project cost: \$24.1M, FMSIB share: \$6M

CITY OF SEATAC, CONNECTING 28TH/24TH AVENUE SOUTH

Total project cost: \$18.4M, FMSIB share: \$2.5M

CITY OF TACOMA, PORT OF TACOMA ROAD REHABILITATION

Total project cost: \$8.86M, FMSIB share: \$1.0M

CITY OF DES MOINES, SOUTH 216TH STREET SEGMENT 1-A

Total project: \$8.15M, FMSIB share: \$.892M

FMSIB BY THE NUMBERS

\$1:\$5.17

**\$5.17 LEVERAGED FOR EACH
\$1 IN FMSIB FUNDS SPENT**

2014 MARKS THE 15th ANNIVERSARY OF FMSIB
fostering public-private and inter-governmental
agency partnerships to improve freight mobility
in the state to benefit the people of Washington.

**52 PROJECTS
COMPLETED**

**\$910 MILLION
VALUE**

1.23m

WASHINGTON ST. JOBS

THE BUSINESS OF FREIGHT

(source: US Census Bureau)

- \$570 billion of freight moved to, from, and within the state
- \$82 billion exported from the State of Washington in 2013
- \$15.1 billion in food and agricultural products exported

RISKS TO FREIGHT AND THE STATE'S ECONOMY

(source: Washington State Freight Advisory Committee)

- \$3.3 billion in economic output at risk if congestion increases by 20%
- \$61,000 cost per day for ships stuck in port if throughput is inefficient
- 110 rail crossings inventoried at intersections with high tonnage roadways
- \$1.1 billion is the cost to address less than half of these high value crossings



HIGH-TONNAGE

State Freight Highways, Roads, and Streets

(source: WSDOT)

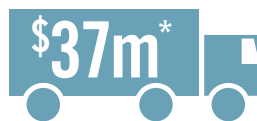
- 2,521 total state route miles on high tonnage strategic freight corridors
- 352 total miles on city streets handling high-tonnage freight
- 190 total county road miles carrying between four and ten million tons of freight per year



AIR FREIGHT

(source: Port of Seattle and Federal Highway Administration)

- 160,000 jobs connected to air cargo in the state
- \$114 million in perishable fruit and vegetables are shipped by air
- Air cargo statewide is projected to triple over the next 20 years



FREIGHT MOVED PER HOUR

TRUCKING

(source: WSDOT
Washington State
Freight Mobility Plan)

- 7,000 truck carriers in Washington state and biggest customer of Class 1 railroads
- \$37 million – the value of freight moved by truck every hour on Washington roads
- 80% growth in truck volume expected by 2030

3,192

WASHINGTON STATE RAILROADS

(source: Association of
American Railroads 2012)

FREIGHT RAILROAD MILES

- 21.9m tons of commodities starting in Washington
- 48.3m tons of commodities ending in Washington

\$106b

MARITIME

(source: WSDOT Washington
State Freight Mobility Plan)

VESSEL SHIPMENTS

- 75 ports in the State of Washington
- \$106 billion in vessel shipments
- 57,700 jobs in the maritime sector in Washington
- 16,700 direct jobs in logistics and shipping

COLUMBIA – SNAKE RIVER SYSTEM

(source: Pacific Northwest Waterways Association)

- Carries cargo valued at least \$20 billion in 2012
- #1 gateway for wheat in the US
- #2 West Coast auto imports and exports

ABOUT FMSIB

In 1998, the State Legislature had the foresight to create the first comprehensive and strategic freight mobility investment program in the country. They also established the Washington State Freight Mobility Strategic Investment Board (FMSIB) to oversee the program. The Legislature in RCW 47.06A found:

"It is the policy of the State of Washington... to 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."

FMSIB creates a comprehensive and coordinated state program to facilitate freight movement by:

- Proposing projects that soften the impact of freight movement on local communities;
- Advocating for strategic freight transportation projects that bring economic development and a return on investment to the state;
- Focusing on timely construction and operation of projects that support jobs;
- Leveraging funding from public and private stakeholders;
- Creating funding partnerships;
- Investing in a freight solution regardless of mode or jurisdiction, and
- Serving as the de facto freight-project screening agency for state and federal policy makers.

FMSIB MEMBERS

Dan Gatchet, Chair

Citizen member

Sheri Call

Vice President

Washington Trucking Associations

Trucking industry representative

John Creighton

Commissioner

Port of Seattle

Ports' representative

Geir-Eilif Kalhagen

Chief Executive Officer

Port of Longview

Ports' representative

Johan Hellman

Director of Government Affairs

BNSF Railway

Railroad representative

Pat Hulcey

Council member

City of Fife

Cities' representative

Mark Knudsen

Vice President SSA Marine

Marine industry representative

Lynn Peterson

Secretary of Transportation

WSDOT representative

Robin Rettew

Senior Budget Assistant to the Governor

Office of Financial Management

Governor's representative

Tom Trulove

Mayor

City of Cheney

Cities' representative

Brian Ziegler

Director of Public Works and Utilities

Pierce County

Counties' representative

Michael Karnofski

Commissioner

Cowlitz County

Counties' representative

Brock Nelson

Director of Public Affairs for Oregon and Washington

Union Pacific Corporation

Ex-officio member

STAFF

Ashley Probart

Executive Director

Donna Veley

Marsha Gehring

Gena Saelid

Confidential Secretary

Shared position



Freight Mobility Strategic Investment Board

1063 Capitol Way, Suite 201

Olympia, WA 98504-0965

Ph: 360-586-9695

www.fmsib.wa.gov