

**FMSIB Preliminary Report to the Legislature**  
**Regarding SSB 5165, Sec. 301(3)**

**December 1, 2021**

**Section 1: Background and Context**

In SSB 5165, Sec. 301(3), the Washington State Legislature directed the state’s Freight Mobility Strategic Investment Board (FMSIB) accordingly:

*It is the intent of the legislature to continue to make strategic investments in a statewide freight mobility transportation system with the help of the freight mobility strategic investment board, including projects that mitigate the impact of freight movement on local communities. To that end, and in coordination with WSDOT as it updates its federally compliant freight plan, the board is directed to identify the highest priority freight investments for the state, across freight modes, state and local jurisdictions, and regions of the state. By December 1, 2021, the board must submit a preliminary report providing a status update on the process and methodology for identifying and prioritizing investments. By December 1, 2022, the board must submit a prioritized list of freight investments that are geographically balanced across the state and can proceed to construction in a timely manner. The prioritized freight project list for the state portion of national highway freight program funds must first address shortfalls in funding for connecting Washington act projects.*

FMSIB welcomes the opportunity to offer our board’s expertise on system-wide strategic investments that maximize state investment dollars, advance the growing and complex needs of our freight system, and support the state’s overall transportation goals.

To create this report, our board has dedicated many hours to reviewing and critiquing our own processes and communications, consulting with freight stakeholders, and developing a fresh perspective on the most effective ways to manage precious freight mobility dollars. In this report, please find proposed methodology to determine investment priorities and an outline of the process to move forward.

**Section 2: Investment Categories and Prioritization**

FMSIB agrees that the state must follow through on its commitment to fund freight projects identified in Connecting Washington and looks forward to working with WSDOT on this issue. Those projects should be the highest funding priority. This proposal addresses funding beyond those commitments, to continue advancing the state’s transportation and freight mobility goals.

Any methodology for strategically investing limited resources must reflect the context of the entire freight mobility system. FMSIB is committed to thinking about the freight system as a whole. If, for example, there were one dollar to spend on freight mobility, how would that dollar best be divided in order to maximize positive impact for the entire system?

To determine freight categories and priorities, FMSIB consulted subject matter experts and freight stakeholders including cities, counties, ports, and industry representatives. Individual conversations and informal surveys were conducted to determine what outcomes stakeholders would like to see from investments in freight mobility. From these responses, FMSIB identified patterns and developed categories which were refined in group conversations. Priorities were then weighted according to stakeholder response and further refined into key target areas. Throughout this process, FMSIB ensured consistency with statewide transportation goals and priority areas around equity and climate change.

FMSIB proposes four weighted investment categories to achieve highest system function:

Asset Preservation and Safety  
45%

Improving the Operations  
of the Existing System  
5%

Expanding the Existing  
System  
20%

Achieving the Freight System  
of the Future  
30%



Asset Preservation and Safety 45%

Preserving existing assets must be the state’s highest priority. “Taking care of what we have” is prerequisite to any discussion of adding new resources.

Improving the Operations of the Existing System 5%

Continuing to refine and improve management of existing assets will allow our state to increase effectiveness and reliability, without necessitating expansion.

### Expanding the Existing System 20%

As our population grows and demands on freight mobility compound, care must be taken to expand our system in strategic ways that maximize benefits and minimize impacts on surrounding communities.

### Achieving the Freight System of the Future 30%

The world of freight is changing quickly and keeping pace with change will involve long-term investments that must begin immediately.

## **3. Freight Categories and Outcomes**

Within the broader categories outlined above, FMSIB has identified targeted areas and project types, along with desired freight outcomes for each area. Please see the chart on the next page.

The “Target Area” column represents the types of projects FMSIB believes will most effectively help advance strategic goals.

The “Desired Freight Outcome” column includes descriptions of the strategic freight outcome desired for each target area, as identified by freight stakeholders.

“Relative Investment Amounts” continues the prioritization percentages identified above, further breaking down the amount of the “dollar” that should be invested in these areas. Together, the target area percentages make up the freight category percentages (i.e., The “Bridge and Road Replacement” area should receive 10% of the “dollar” and is a part of the 45% allotted to “Asset Preservation and Safety” category).

Freight Category	Target Area	Desired Freight Outcome	Relative Investment Amounts
<b>Asset Preservation and Safety</b>	Bridge Preservation	Maintain the asset for its intended use by maximizing previous investments while eliminating or preventing weight restrictions.	20%
	Road Preservation	Maintain the asset for its intended use by maximizing previous investments while eliminating or preventing weight restrictions.	15%
	Bridge and Road Replacement	Replace existing assets that are beyond repair and must be rebuilt to remove weight restrictions or detours on freight corridors.	10%
<b>Improving the Operations of the Existing System</b>	Transportation Systems Management and Operations (TSMO)	Improve the quality, effectiveness, resilience, and efficiency of the current system without adding capacity (e.g., more pavement).	5%
<b>Expanding the Existing System</b>	Grade Separation Projects	Improve safety and equity by reducing road rail conflicts, reconnecting communities, preventing emergency vehicle delays, and improving mobility while reducing the impact of freight movements on the community.	10%
	Expansion of Freight Corridors	Improve first and last mile connections and parallel routes to increase capacity of freight corridors, reducing congestion and emissions.	10%
<b>Achieving the Freight System of the Future</b>	Land Banks	Land acquisitions that border waterways and airways that will help mitigate impacts of future projects on a particular area.	5%
	Truck Parking	Improve availability and accessibility of safe and secure places for truck drivers to rest.	5%
	Intermodal Transfer Facilities	Reduce freight congestion at shipping ports and rail terminals by creating and enhancing capacity of intermodal and transload facilities across the state.	10%
	Zero Emissions	Improve air quality and equity within the freight industry by moving toward zero emissions; electrification for short haul/dray at shipping ports, railyards and airports; hydrogen for long haul applications.	10%

#### 4. Regular Evaluation and Refinement

Because these priority categories were developed in consultation with board members and stakeholders who know and understand the needs of freight in Washington State, FMSIB believes the categories and weights are durable and reflect ongoing strategic needs. To ensure that this remains true, and that priorities adapt as needs may change, FMSIB proposes biennial evaluation of both individual project outcomes and the investment category system overall. Before each biennial budget request, FMSIB will review outcomes and prioritization and call on the expertise of industry and local government stakeholders to evaluate the plan and recommend any updates.

#### 5. Alignment with State Transportation Goals, Equity, and Environment

FMSIB is dedicated to working collaboratively with WSDOT to advance our state’s transportation goals. Please see the graph below for a visual representation of how the proposed freight investment categories and the state’s transportation goals intersect.

In the chart, the “pies” show a rough representation of the degree to which each of the target areas coincides with the state transportation goals. Knowing the state is particularly concerned about addressing equity and climate change, we have added checkmarks to show where target areas address these concerns. The pies and the checkmarks are independent of freight goals; the intent of this chart is simply to show that freight goals and the state’s overall transportation goals are intertwined.

Freight Category		State Transportation Goals						Emphasis Areas	
		Preservation	Safety	Stewardship	Mobility	Economic Vitality	Environment	Equity	Climate Change
Asset Preservation and Safety	Bridge Preservation	●	◐	◑	◒	◒	◒	✓	
	Road Preservation	●	◐	◑	◒	◒	◒	✓	
	Bridge and Road Replacement	◐	◑	◒	◒	◒	◒	✓	✓
Improving the Operations of the Existing System	Transportation Systems Management and Operations (TSMO)	○	◐	●	◐	◒	◒		✓
Expanding the Existing System	Grade Separation Projects	○	◐	◑	◒	◒	◒	✓	✓
	Expansion of Freight Corridors	○	◐	◑	●	●	◐		✓
Achieving the Freight System of the Future	Land Banks	◐	○	◑	○	◒	●	✓	✓
	Truck Parking	○	●	◑	◒	◒	◒	✓	
	Intermodal Transfer Facilities	◑	◑	◒	◒	●	◒		✓
	Zero Emissions	○	◐	◑	○	○	●	✓	✓

○ = Limited Support ◐ = Some Support ◑ = Mostly Supports ◒ = High Support ● = Fully Supports

Further, FMSIB recognizes that the freight system cannot see the benefits of strategic investments if those investments are not actually completed. We propose a “bias for action,” with a preference for funding investments that are ready to proceed to construction, and that can be completed timely so as to deliver benefits quickly.

## **6. Recommended Process**

Following the methodology outlined in the preceding sections, FMSIB proposes that future funding, beyond the Connecting Washington commitments, be allocated according to the categories indicated in Sections 2 and 3 of this report. For the 2022 report of prioritized investments, investments will be based on these categories, and FMSIB selection criteria will reflect these categories as well as:

- Geographic balance across the state as identified by the Legislature in the proviso;
- Balance of funding across the target areas;
- Volume of freight impacted by the project; and
- Readiness of the project to proceed to construction.

Recognizing that larger freight projects (such as system expansion projects) require additional steps (i.e., right-of-way acquisition) and are typically larger and more complex but equally important to help advance to construction, FMSIB may consider funding pre-construction activities. The board may also consider allowing for some portion of funding allocation further-out than one biennium. Planning for future biennia gives larger, more complex projects a greater chance of success, and allows for predictability in budgeting.

FMSIB will also establish policy updates that will allow for timely pivots of funding toward pre-identified projects which may be able to advance more quickly.

While the 2022 report is timely, FMSIB proposes that in preparation for each biennium budget a prioritized list of investments be submitted for the Legislature's consideration.

## **7. Next Steps**

Following is a proposed schedule for process benchmarks:

December 1, 2021:	Submit Report to the Legislature.
January-March 2022:	Develop revised freight investment eligibility and prioritization criteria, and plan stakeholder outreach, focusing on existing stakeholder plans.
April - June 2022:	Conduct stakeholder outreach to identify highest priority investments according to revised criteria.
July – September 2022:	Finalize and validate draft investment list.
September 2022:	Present draft investment list to FMSIB Board.

October 2022:	Revise investment list as needed.
November 2022:	FMSIB Board vote on final investment priority list to submit to the Legislature.
December 1, 2022:	Submit prioritized investment list to the Legislature.
January – April 2023:	Provide testimony to the Legislature on the investment list.

FMSIB thanks the Legislature for the opportunity to spend extensive and meaningful time exploring mission, goals, and strategic outcomes. We are excited to work in tandem with the Legislature, WSDOT, and freight stakeholders to make broad strides in strategically advancing freight infrastructure for our state. We look forward to your response to this proposal and to working collaboratively to advance freight mobility in Washington State.