

Freight Mobility Strategic Investment Board

*January 14, 2022
9:00 a.m. to 1:00 p.m.*

DoubleTree Inn by Hilton ~ Capitol Conference Room ~ 415 Capitol Way N, Olympia, WA

Meeting will be webcast live on TVW: <https://tvw.org/video/freight-mobility-strategic-investment-board-2022011038/?eventID=2022011038>

(For Zoom meeting option, please contact workmag@fmsib.wa.gov for meeting link)

Note: Chair may adjust agenda topics and timing

AGENDA

9:00 AM	1 Welcome/Introductions	Dan Gatchet	Informational
9:05 AM	2 Meeting Minutes (November 19, 2021)	Dan Gatchet	Action
9:10 AM	3 FMSIB Budgets and Director's Report	Brian Ziegler	Informational
9:40 AM	4 Board Member Reports	Board Members	Informational
9:50 AM	5 Phase 2 Proviso Report - Work Plan	Ben Wick	Informational / Action
10:05 AM	6 Port of Kalama Award Letter Update	Brian Ziegler	Informational / Action
10:20 AM	7 2021 Annual Report Review	Kjris Lund	Informational
10:35 AM	8 Board Reappointments	Brian Ziegler	Informational
10:50 AM	9 FMSIB Invoice Review Process Changes	Dan Gatchet	Informational
11:05 AM	10 State Freight Plan and Investment Plan Update	Jason Beloso, WSDOT	Informational / Action
11:20 AM	11 FMSIB Funding History	Brian Ziegler	Informational
11:55 AM	12 Working Lunch / Legislative Panel / Review Budget Proviso	Rep. Jake Fey Sen. Marko Liias Rep. Andrew Barkis Sen. Curtis King	Informational
12:55 PM	13 Next Meeting: March 17 - I-5 Bridge Tour - Vancouver March 18 - Vancouver	Dan Gatchet	Action
1:00 PM	14 Adjourn	Dan Gatchet	Action



FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

MEETING MINUTES

November 19, 2021 • 9 a.m. – 1 p.m. • GoToMeeting
TVW Recording [FMSIB 11-19-21](#)

In Attendance

BOARD MEMBERS

Dan Gatchet, Chair
Peter Bennett
Matt Ewers
Temple Lentz
John McCarthy
Anne McEnery-Ogle

Roger Millar
Ben Wick
Virtual:
Leonard Barnes
Erik Hansen
Art Swannack

Not Present:
Johan Hellman
Ex officio Aaron Hunt

FMSIB STAFF

Brian Ziegler, Director
Gena Workman, Executive Assistant

GUEST PRESENTERS

Kjristine Lund, Lund Consulting

Megan Hoyt, City of Seattle

Wenjuan Zhao, WSDOT

Meeting Convenes

Chair Dan Gatchet convened the meeting at 9 a.m. and stated this is an open public meeting and all provisions of the Open Public Meetings Act (OPMA) apply, as amended by recent orders of the Governor. The meeting is also being held in accordance with state and local health guidelines regarding public meetings and COVID-19 concerns.

The meeting is also being conducted and recorded via Zoom teleconferencing so the public and some participants may choose to participate virtually. TVW is live-streaming the meeting and will provide archives of the broadcast.

Chair Gatchet conducted roll call, introduced new Board member Peter Bennett, and recognized prior Board member Councilmember Pat Hulcey for his service to the freight community and his service on FMSIB from 2012 to 2020.

Approval of Meeting Minutes

Board Action Item: Adoption of September 17, 2021, Board Meeting Minutes.

MOTION:

Chair Gatchet entertained a motion to adopt the September 17, 2021, meeting minutes as presented.

Matt Ewers so moved to adopt the minutes as presented. Leonard Barnes seconded.

MOTION CARRIED

FMSIB Budgets

Director Ziegler reviewed the Operating and Capital Budgets.

Operating Budget:

The Operating Budget is on schedule with nothing unusual to report.

Capital Budget:

2021-23 Sorted by Biennium Chart– Effective Nov. 19, 2021

This chart lists all active projects. Blue highlight indicates authorization for construction. Green, yellow, and red highlights indicate likelihood to expend in the current biennium.

Board Discussion

Mr. Ewers asked why for some projects the allocated award amount is different from the total award. Director Ziegler explained that the initial award is noted in the first column and the total award amount in the last column includes any increases or decreases FMSIB granted.

Mayor Wick asked if there is no money noted in the 21-23 column, does that mean it was expended in prior biennium. Director Ziegler confirmed that is correct.

Commissioner Swannack suggested changing the award column header to, “Current Award” amount and remove the original award amount from the chart. Mr. Erik Hansen agreed that the initial award amount should be removed from this chart as long as Director Ziegler has record of the original award amount elsewhere. The chart should indicate: (1) date of original award, (2) current FMSIB award authorization, and (3) what biennium it is to be spent. Mr. Barnes agreed.

Staff Action/Recommendation Item: Director Ziegler will change the format of the active projects chart by removing original award amount and change “FMSIB Award” column to “Current FMSIB Authorization.”

Active Projects Chart – Sorted by Biennium – Effective Nov. 19, 2021

Director Ziegler reviewed project progress for spending. There is a good balance of first/last dollars being expended.

Director's Report

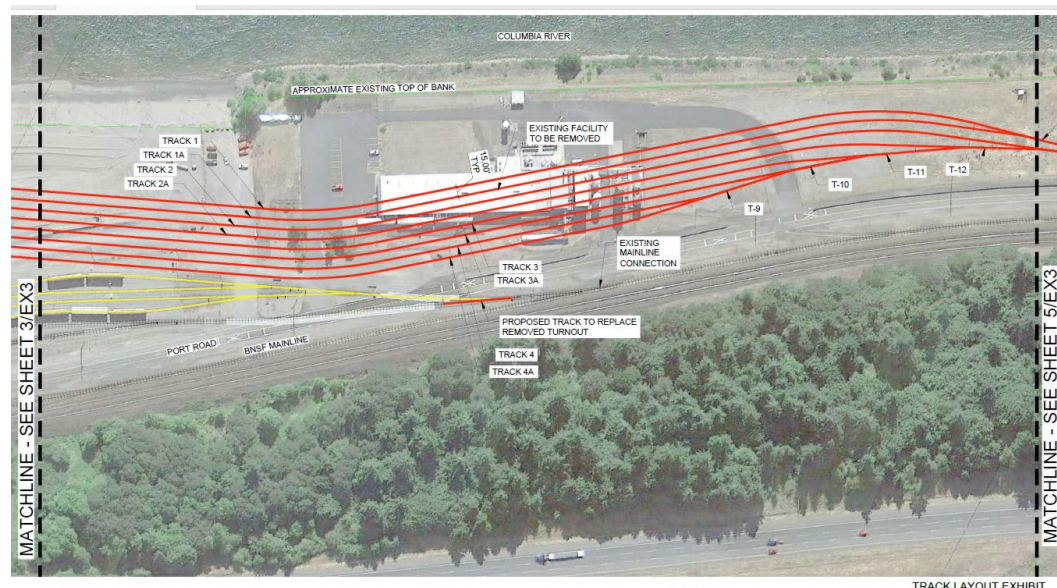
Please see the Board meeting packet for the complete report on Director Ziegler’s activities since the September 17, 2021, Board meeting. A few keys points are as follows.

Project Status Updates – Port of Kalama, Industrial Rail Additions

The Port applied for FMSIB funding in the 2018 Call for Projects and was awarded \$2.4 million. This FMSIB contribution leverages \$9.35 million in local and private funding. The project improves mainline rail flows adjacent to the Port of Kalama’s major grain terminal, TEMCO.

The current rail alignment at the TEMCO facility allows one unit train of grain (110 cars) to be stored off the mainline and on port property. However, this requires several rail moves in order for the unit train to be broken up into three parts and cleared of the mainline. The proposed \$11.75 million project will add several more lines of storage track on Port property, allowing a unit train to be positioned faster and in only two parts (See Figure 1).

Figure 1- Port of Kalama, Industrial Rail Addition, Portion of New Storage Track



In addition to mitigating congestion on the mainline rail system, the project also reduces closure time on the sole access road into an adjacent residential development. This improves emergency access into the neighborhood.

The project was funded by FMSIB and the Legislature in the 2019-21 Biennium. In 2020, the Legislature deferred the project into the 2021-23 Biennium. This delayed property acquisition and subsequent construction by two years; however, TEMCO and the Port are still committed to completing the project this biennium.

Board Member Reports

Matt Ewers: Participating on the Joint Transportation Committee's truck parking study. It is imperative FMSIB get involved. People don't understand freight and trucking issues. The Committee has narrowed the study down to a few good ideas. Long-haul cannot run on electricity, but short-haul can. Need private/public to help implement truck parking stations.

Commissioner McCarthy: Washington and California released report regarding ports. Found that federal government infrastructure investments in Canada are double that of Washington and California.

Adopt Legislative Proviso Report

Board Action Item: Adopt the draft legislative proviso report developed by the Freight Policy Advisory Committee (FPAC).

Chair Gatchet and Director Ziegler provided an overview of the budget proviso process to date. The budget proviso was included in FMSIB's 2021 biennial budget and assigns some new tasks to FMSIB. By the end of November, FMSIB is to present to the Legislature and Governor a preliminary report outlining a process and methodology for identifying and prioritizing high priority freight investments

in Washington. Next year, the Board is asked to submit a prioritized list of those freight investments that are geographically balanced across the state and can proceed to construction in a timely manner.

In April, the Board appointed five Board members to the task of investigating options and preparing the draft proviso report. Mayor Wick agreed to chair the Freight Policy Advisory Committee (FPAC). Other members include Mayor McEnerny-Ogle, Commissioner John McCarthy, Mr. Ewers, Councilor Lentz, and former Board member Bob Watters. FMSIB Chair Dan Gatchet has been attending meetings, as well as Ron Pate and Jason Beloso from WSDOT.

The FPAC has reviewed the proviso language, developed guiding principles, developed a framework for identifying and prioritizing freight investments, addressed specific proviso issues (like the definition of “freight,” what “geographic equity” means, and what level of project readiness the Legislature expects), and recently began discussing potential freight project eligibility and prioritization criteria. FPAC provided an interim report to the Board in September and revised the report based on Board input and Representative Fey’s comments.

FPAC Chair Wick reviewed the changes made to the proviso report since September. Chair Wick summarized that Section 4 of the report includes a disclaimer that priorities change with a suggestion to review before each biennial budget request. Section 5 identifies alignment with state goals and suggests biennial feedback on those as well. Section 6 outlines the methodology for next year.

Board Discussion

Secretary Millar commented that the Committee has made great progress since the last report and suggested the following changes: (1) “Maintenance and Preservation” to “Asset Prevention,” (2) add “Safety” to “Expanding the Existing System,” and (3) add “Equity” checkmark to “Land Bank” outcome.

Peter Bennett asked how FPAC arrived at the percentages. Chair Wick stated the percentages were based on Committee members’ recommendations, and they will go into more detail in next report. Secretary Millar stated it is important the Committee document how the percentages were achieved.

Mr. Barnes was impressed with FPAC’s work and suggested the following changes: (1) include examples of some the Connecting Washington projects in Section 2, (2) Board consider how to communicate our message to the people that need to hear, (3) expand equity in Section 3, and (4) include local governments to the list in the last paragraph.

Commissioner McCarthy agreed that at some point we need to acknowledge the Connecting Washington projects, possibly at the end. Chair Wick suggested including funding of Connecting Washington projects first. Councilor Lentz clarified that we need to talk to partners next year to see how the projects are progressing. Secretary Millar thinks that the language in the proviso about prioritizing Connecting Washington projects is not FMSIB’s charge but was intended for WSDOT to do in their freight plan update because that is where the federal freight money is being allocated. FMSIB needs to just think about its budget and how to engage in the freight plan. Representative Fey confirmed that Connecting Washington projects need to be finished before any new projects are funded. Director Ziegler stated that FPAC did not discuss budget but focused on identifying highest priorities.

Peter Bennett commented that there is a huge gap in Intelligent Transportation and questioned how FMSIB could help by using existing systems to make it better. He would like to see FMSIB’s energy going into areas that are underserved.

Mayor McEnerny-Ogle stated the Board should move forward with adopting the report with the recommended changes. Councilor Lentz asked for clarity on which direction to take regarding Connecting Washington projects and suggested possibly including language about FMSIB participating in the freight plan and remove the 3rd and 4th lines. There were no objections to making the changes and identifying example freight projects funded under Connecting Washington in Section 2. Next Steps to include identifying and prioritizing Connecting Washington projects.

Commissioner Swannack pointed out that this is the preliminary report, and the second report is to submit a list of priorities which could include the Connecting Washington projects. Mr. Barnes asked if the Board could review the final product before submitting to Legislature. Mr. Ewers recommended letting FPAC make enhancements based on the Board discussion and move forward with submitting.

Chair Gatchet asked for Representative Fey's input. Representative Fey suggested the application process should be simple initially and revisit those projects deemed worthy of additional detail. Although there is likely to be money for freight someday, don't limit the list to a specific amount. Start with a short application and produce a short list, then contact sponsors for more detail if needed. It helps the Legislature to have FMSIB's expertise provide a list of prioritized projects but don't think there is a lot of money coming from federal government in the first round. The reason for this proviso is to identify strategic investments in Washington to facilitate freight movement. Representative Fey does not like to see groups spend a lot of time on details and wants FMSIB's report to stand out as well-developed and well thought out.

Secretary Millar pointed out that MPOs/RTPOs already have plans with freight projects and rather than have a project call, obtain their list of vetted projects that FMSIB then prioritizes. Director Ziegler noted that he has already briefed MPOs/RTPOs on FMSIB's proviso report and process.

Commissioner Swannack suggested rewording "Next Steps in April" to include, "in addition to working with MPOs/RTPOs to identify freight projects from regional plans." Councilor Lentz stated she has what she needs if there is consensus on Commissioner Swannack's suggestion.

Mr. Sean Eagan, NWSA, offered to provide appropriate staff support to assist the Board.

Director Ziegler asked Representative Fey if a list by tiers based on readiness to construction would address the proviso's criteria for "timely construction." Representative Fey stated this approach would work with less emphasis on projects that have a long way to go.

Staff Action/Recommendation Items: The Board proposed the following edits to the draft report:

- Change "Maintenance and Preservation" to "Asset Prevention"
- Add "Safety" to "Expanding the Existing System"
- Add "Equity" checkmark to "Land Bank" outcome
- Document how the "Relative Investment Amount" percentages were achieved
- Identify example freight projects funded in CWA (Section 2)
- Add local governments to the list in the last paragraph
- Include identification and prioritization of Connecting Washington projects in "Next Steps"
- Work with MPOs/RTPOs to identify freight projects from regional plans

MOTION: Chair Wick made a motion for the Board to adopt the draft proviso report as presented and delegate FPAC to finalize the draft report with the above edits proposed by the Board today. Commissioner Swannack seconded.

MOTION CARRIED

2021 Annual Report Update

Kjristine Lund presented a draft outline of the 2021 Annual Report and asked for Board input in the below areas:

Letter from Chair-Key points would you like chair to highlight. Commissioner McCarthy suggested including the expansion of FMSIBs role in Washington freight.

Board Member Quotes-will be sent to Board for concurrence before publishing.

HEAL Act-include information regarding 85-90 percent of FMSIB projects are in disadvantaged areas.

Budget Proviso-a section will be included in the report on the proviso response.

FMSIB by the Numbers-has been popular in past, but due to COVID-19 the numbers are not up-to-date, and Ms. Lund recommends focusing more on project delivery.

Project Map-will have list of completed and underway projects. Mr. Ewers noted how important this is since every time FMSIB meets with legislators, they always look for their project.

The final report will be published in December.

Future Agenda Item: The final 2021 Annual Report will be presented to the Board in January.

City of Seattle – East Marginal Way Update

Board Action Item: Possible Board action for changing fund appropriation.

Megan Hoyt, City of Seattle, provided an East Marginal Way Project update since her last presentation in January 2021. Since there were some audio issues during Ms. Hoyt's presentation, Director Ziegler helped to summarize for the Board. Prior to the city receiving the RAISE Grant, \$3 million wasn't enough and the city requested an additional \$1 million be moved up a biennium to get the project moving. Now that the RAISE Grant has been awarded, the city is rethinking how quickly they can expend in Phase 1 & 2. According to Ms. Hoyt, the city does not need more money for Phase 1. Since the city will not spend whole \$3 million, the Board may choose to reallocate funds. When moving appropriation authority, the assumption is that whatever is moved will be restored to the project during the next biennium. If FMSIB does not restore the funds, then it takes money away from the project. As of today, the city estimates they will need \$1.5 to \$2.5 million of the \$3 million awarded. Ms. Hoyt expects to have a more accurate answer for Board by the end of the year.

Future Agenda Item: The City of Seattle will provide an updated expenditure request to the Board by the end of the year.

MOTION: None presented.

City of Fife POT Rd I/C-Ph 2-Allocations to Other Projects

Board Action Item: Possible Board action to allocate funds to other projects.

Chair Gatchet noted that after the September workshop, FPAC was given a second assignment to review FMSIB's project portfolio to see if any projects delayed in delivery this biennium could become "donors" to other projects that could spend FMSIB funding this biennium. Director Ziegler identified projects for FPAC to consider. FPAC's report is included in the meeting packet.

FPAC Chair Wick reviewed the background work in the report and presented the four options for the Board to consider. The Committee provided scenarios for projects that could use money this biennium: this is not removing money but shifting to projects ready to go. Port of Kalama could use \$1.5 million additional funds to expend this biennium. City of Seattle cannot spend the full \$3 million this biennium. The City of Fife POT Rd I/C Phase 2 could expend \$5.5 million of their \$6.33 million this biennium on right-of-way and design, leaving \$830,000 available this biennium to transfer to another project. There are no statutory restraints on FMSIB allowing funding of right-of-way and design. Several years ago, the Board decided to not write a policy and instead accept each request on an ad hoc basis.

Board Discussion

Mayor McEnerny-Ogle asked about what happens if the Fife project does not move forward. Director Ziegler stated that FMSIB will receive money back from projects that don't move forward. Mayor McEnerny-Ogle thinks any changes in allowing Fife this flexibility needs to be in writing with a short deadline to keep things moving. Commissioner Swannack likes the idea of being nimble, but not sure if he agrees with funding the Fife project since they did not receive a RAISE Grant and we awarded the project in 2010.

Commissioner McCarthy noted that POT Rd I/C Phase 2 is an important project to the Port of Tacoma and asked if there has been any recent contact with them regarding property acquisition.

Commissioner McCarthy prefers to keep funds where originally designated and thinks it might be a good opportunity to purchase property at a good price. Director Ziegler mentioned that the federal government offered a loan to Fife since they were so close to qualifying for a grant. Fife declined the loan because they hope to obtain state funds or future RAISE money.

Councilor Lentz supports reallocating money, but the goal should be about advancing the project in a meaningful way. Mr. Bennett suggested asking for feedback from Fife to illustrate how these changes worked for them.

Staff Action/Recommendation Items:

- 1) Director Ziegler to contact Erik Hansen, OFM, immediately regarding the Board's motions.
- 2) Director Ziegler to follow up with the City of Fife to see what effect policy change has on project delivery.

MOTION: Mayor Wick moved to authorize the City of Fife POT I/C-Phase 2 to expend the FMSIB appropriation on right-of-way acquisition and design, subject to repayment if construction is not started within four years. Mr. Bennett seconded.

AMENDMENTED MOTION: Mr. Ewers moved to authorize \$1.5 million in new funding to Port of Kalama Industrial Rail Additions project (from unused \$1 million East Marginal Way appropriation authority and \$0.5 million from Fife POT Rd I/C) and to restore appropriation authority to East Marginal Way and POT Rd I/C projects in the 2023-25 Biennium. Commissioner Swannack seconded.

MOTION CARRIED

Follow-up on City of Fife 70th Ave E Freight Bottleneck Project Over-Expenditure

At the September Board meeting, the Board asked Director Ziegler to research the City of Fife's 70th Ave E Freight Bottleneck project over-expenditure and convene the Administrative Committee to develop recommendations for the Board. Chair Gatchet reviewed the Committee briefing included in the Board meeting packet. The Committee recommended the following steps be taken to correct the situation:

1. Work with WSDOT Local Programs to reduce the 19-21 charges to Fife's 70th Ave. E. project and to limit that biennial reimbursement to the 19-21 LEAP list authorized amount of \$2.5 million.
2. Work with WSDOT Local Programs to modify the local agency agreements (LAA) process to reflect FMSIB's expectations, of both the project sponsors and WSDOT, that the LEAP list authorization for each project and biennium will be followed.
3. Work with WSDOT Local Programs to identify at least two ways that additional controls can be implemented to catch future over-expenditures.

In response to the Committee recommendations, WSDOT Local Programs agreed to the following:

1. WSDOT Local Programs is coordinating with WSDOT Olympic Region to process the charge reversal.
2. Annually, FMSIB will provide a supplemental funding letter to each project sponsor to reflect FMSIB's expectations, defining the limitation of the LEAP list authorization for each project and biennium to be followed.
3. WSDOT Local Programs will install additional fiscal controls, in addition to their normal accounting processes, to ensure future reimbursement requests that exceed LEAP list biennial project authorizations will be flagged and not paid.

Two options for increasing fiscal controls on project reimbursements were presented to the Board:

OPTION 1: FMSIB Invoice Review

FMSIB would review all project invoices before they are submitted to Local Programs. FMSIB would be required to complete reviews in a timely manner. WSDOT Local Programs would have less time to conduct their own review and process invoices (State law requires no more than 30 days between receipt and payment of reimbursement requests). Local Programs would process FMSIB invoices separate from WSDOT invoices and both agencies would have resulting resource impacts. WSDOT currently has one invoice payment process and if FMSIB invoices are processed differently, they would go in a queue, which could result in not meeting the state requirement.

OPTION 2: FMSIB Invoice Summary Review

Local Programs would process FMSIB invoices as currently processed but also implement the additional fiscal controls in (c) above. Additionally, Local Programs would send a monthly report of reimbursements to FMSIB. This option has no resource impacts.

Board Discussion

Mr. Hansen agreed with the Administrative Committee's solutions and would like to implement, "Option 1-FMSIB Invoice Summary Review" so bills are not paid by Local Programs until Director Ziegler reviews invoices, spending patterns, and any other information that may warrant the director to contact project sponsors. Commissioner Swannack, Mr. Barnes, and Mr. Ewers also supported Option 1. Secretary Millar stated FMSIB needs to be clear on the 30-days for payment requirement. Commissioner McCarthy asked if the Board needs a motion. Chair Gatchet recommended he and Director Ziegler work on the steps in this new process, present those to the Administration Committee, then take Board action at the January meeting. Commissioner Swannack suggested the director work with Mr. Hansen on the 30-day requirement.

Staff Action/Recommendation Items:

- 1) Chair Gatchet and Director Ziegler to develop new procedure for FMSIB's review of project invoices and present those to the Administration Committee for review.
- 2) Director Ziegler to consult Erik Hansen regarding the 30-day payment requirement.

Future Agenda Item: Board review and take action at the January Board meeting on the new process for FMSIB to review project invoices.

FMSIB Funding History

Due to time constraints, Director Ziegler did not present on FMSIB's funding history. This topic will be deferred to the January meeting.

Future Agenda Item: Present FMSIB funding history at the January meeting.

Adoption of T1/T2 Freight and Goods Transportation System (FGTS)

Board Action Item: Adopt 2021 FGTS Strategic Freight Corridors.

Every two years, state law requires FMSIB to review freight travel trends and to update the state's Freight and Goods Transportation System (FGTS). This system assists public and private sector agencies with freight data and classification information and is also used in FMSIB's project selection process.

Wenjuan Zhao, WSDOT, provided the 2021 FGTS T1/T2 system update, described how the traffic results are impacted by COVID, and shared next steps.

Board Discussion

Mr. Bennett asked how the corridors are defined. Ms. Zhao stated it is based on what is currently being moved on the corridor and any changes will be captured in the next two years. Mr. Bennett then asked if that leaves a gap in our investing, but Director Ziegler clarified that connectors to the T1/T2 routes are eligible.

MOTION: Chair Gatchet entertained a motion to adopt the T1/T2 Strategic Freight Corridors portion of the FGTS as presented. Mayor Wick so moved. Mr. Bennett seconded.

MOTION CARRIED

FMSIB Projects and Environmental Health Disparities (EHD)

Over the last couple years, the Legislature has passed bills to provide more focus on environmental health and disparities that exist in Washington. Recently, the HEAL Act (Health Equity for All) required seven state agencies to take specific actions regarding environmental health disparities. Though FMSIB was not one of the agencies, the Board has discussed this issue at previous meetings. FMSIB and other transportation granting agencies can review current agency policies and evaluate ways each granting agency can reduce environmental health disparities (EHD).

FMSIB staff conducted an analysis of FMSIB projects to identify possible connections with the current mapping of Environmental Health Disparities (EHD) in Washington and shared the results with the Board. The results indicate how well FMSIB's process works. FMSIB provides a free service with low overhead costs. Local governments account for 95 percent of FMSIB applicants, two-thirds of those projects are on state routes. Of the 100 projects, 56 are in the worst zones in the state.

Board Discussion

Mayor Wick acknowledged the huge and positive impact grade separations have had in Spokane Valley. Commissioner McCarthy pointed out that grade separations create equity for communities. Councilor Lentz cautioned about reading too much into the results. This is a great opportunity for FMSIB to be creative moving forward but can't prove a direct correlation. Mr. Bennett pointed out that freight generates income. People who live in those areas want to work in those areas.

Completed Projects

Board Action Item: Move completed projects from the Active Project List to the Completed Project List.

Every November, FMSIB identifies projects completed during the calendar year. The Board takes a formal motion to move these projects from the Active Project List to the Completed Project List. Director Ziegler shared the updated FMSIB Project Review chart which indicated the below projects are complete:

No.	Owner	Name	Date	Total	FMSIB
99-3	Spokane Valley	Barker Road Corridor Widening-Phase 3	Oct. 2020	\$ 2,183,000	\$ 407,493
93-0	Sumner	SR 410 Traffic Avenue/ East Main Project	Feb. 2021	\$ 18,540,000	\$ 2,500,000
35-0	Kent	S. 228th St UP Grade Separation	Apr. 2021	\$ 25,000,000	\$ 4,500,000
90-0	Longview	SR 432-SR 411 Intersection Improvements	May 2021	\$ 4,200,000	\$ 2,100,000
94-0	Tacoma	Taylor Way Rehabilitation Project	Nov. 2021	\$ 27,401,000	\$ 2,500,000
98-0	Chelan County	West Cashmere Bridge	Nov. 2021	\$ 23,500,000	\$ 3,000,000
97-0	Spokane County	Bigelow Gulch - Phase 3	Nov. 2021	\$ 6,925,710	\$ 2,270,000
95-0	Fife	70th Ave. East Freight Bottleneck Relief	Dec. 2021	\$ 41,371,624	\$ 5,000,000
				<u>\$ 149,121,334</u>	<u>\$ 22,277,493</u>

MOTION: Mr. Ewers so moved to adopt the above list of completed projects. Mr. Barnes seconded.

MOTION CARRIED

Next Meeting

Board Action Item: Adopt January 13-14, meeting in Olympia, Washington.

This two-day meeting in Olympia usually includes a “Day on the Hill” opportunity for Board members to brief legislators on FMSIB’s activities. The Day on the Hill is tentatively scheduled for January 13 and the in-person Board meeting is scheduled for January 14. Since face-to-face legislative meetings were not possible last year and may be very limited this year, staff will continue to monitor the situation and advise members.

Commissioner Swannack commented that it sounds like the legislative meetings will primarily be held virtually or via hybrid sessions. Mr. Ewers said he heard there will not be in-office meetings but that legislators may meet at non-state locations.

Staff Action/Recommendation Items: Director Ziegler will evaluate offsite meeting options with key legislators.

MOTION: Chair Gatchet entertained a motion to hold the January 14 Board meeting in Olympia and, if possible, conduct the FMSIB Day on the Hill on January 13. Councilor Lentz so moved. Mayor Wick seconded.

MOTION CARRIED

Meeting Adjourned

Chair Gatchet adjourned the meeting at 1:05 p.m.

Summary of Board Motions:

1. Adopt September 17, 2021, Board Meeting Minutes. *Motion Carried (page 1)*
2. Authorize the City of Fife POT I/C-Phase 2 to expend the FMSIB appropriation on right-of-way acquisition and design, subject to repayment if construction not started within four years. *Motion Carried (page 7)*
3. Amended motion to authorize \$1.5 million in new funding to Port of Kalama Industrial Rail Additions project (from unused \$1 million East Marginal Way appropriation authority and \$0.5 million from Fife POT Rd I/C). Restore appropriation authority to East Marginal Way and POT Rd I/C projects in the 2023-25 Biennium. *Motion Carried (page 8)*
4. Adopt the T1/T2 Strategic Freight Corridors portion of the FGTS presented today. *Motion Carried (page 9)*
5. Adopt the updated Completed Projects List. *Motion Carried (page 11)*
6. Hold the January 14 Board meeting in Olympia and, if possible, conduct the FMSIB Day on the Hill on January 13. *Motion Carried (page 11)*

Summary of Staff Action/Recommendation Items:

1. Director Ziegler will change format of the 2021-23 Sorted by Biennium chart by removing the original award amount and changing the “FMSIB Award” column to “Current FMSIB Authorization.” (page 2)
2. The Board proposed the following edits to the draft proviso report:
 - Change “Maintenance and Preservation” to “Asset Prevention”
 - Add “Safety” to “Expanding the Existing System”
 - Add “Equity” checkmark to “Land Bank” outcome
 - Document how the “Relative Investment Amount” percentages were achieved
 - Identify example freight projects funded in CWA (Section 2)
 - Add local governments to the list in the last paragraph
 - Include identification and prioritization of Connecting Washington projects in “Next Steps”
 - Work with MPOs/RTPOs to identify freight projects from regional plans (pages 5-6)
3. City of Fife POT Rd I/C-Ph 2-Allocations to Other Projects:
 - Director Ziegler to contact Erik Hansen, OFM, immediately regarding the Board’s motions. (page 7)
 - Director Ziegler to follow up with the City of Fife to see what effect policy change has on project delivery. (page 7)

4. City of Fife 70th Ave E Freight Bottleneck Project Over-Expenditure:
 - Chair Gatchet and Director Ziegler develop new procedure for FMSIB's review of project invoices and present those to the Administration Committee for review. (page 9)
 - Director Ziegler consult Erik Hansen regarding the 30-day payment requirement. (page 9)
5. Next Meeting/FMSIB Day on the Hill: Director Ziegler will evaluate offsite meeting options with key legislators. (page 11)

Summary of Future Agenda Items:

1. The final 2021 Annual Report will be presented to the Board in January. (page 6)
2. The City of Seattle will provide an updated expenditure request to the Board by the end of the year. (page 7)
3. The Board will review and take action at the January Board meeting on the new process for FMSIB to review project invoices. (page 9)
4. Present FMSIB funding history at the January meeting. (page 9)

Dan Gatchet
Chair

Attest: Brian Ziegler
Director

FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

CURRENT BIENNIUM 21-23 Budget \$ 831,000

Expenditure Detail through: Dec 31, 2021

FMSIB Budget	Biennium Appropriation July 1, 2021 - June 30, 2023	Biennium Allotments thru Dec 31, 2021	Actual Expenditures thru Dec 31, 2021	Biennium To Date Dollar Variance
Salary	576,000	144,000	129,848	14,152
Travel	57,000	14,250	9,714	4,536
Goods & Services	148,000	37,000	25,041	11,959
Personal Service Contracts	50,000	16,250	16,250	0
Total Thru Dec 31, 2021	\$ 831,000	211,500	180,853	30,647
Expenditure Detail	Budgeted Expenditures July 1, 2021 - June 30, 2023	Budgeted Expenditures thru Dec 31, 2021	Actual Expenditures thru Dec 31, 2021	Biennium To Date Dollar Variance
Salaries:				
Staff Salary	576,000	144,000	129,848	14,152
Total Salary	\$ 576,000	144,000	129,848	14,152
Travel:				
Staff Travel	22,000	5,500	2,857	2,643
Board Travel	35,000	8,750	6,857	1,893
Total Travel	\$ 57,000	14,250	9,714	4,536
Goods & Services:				
Other State Agency Services				
WSDOT Labor & Svcs/TIB Svcs	30,000	7,500	2,978	4,522
WS DES Services	38,000	9,500	7,444	2,056
WS TIB - Office Rent & Utilities	42,000	10,500	8,650	1,850
WS Attorney General	2,000	500	0	500
Misc. Operating Expenses				
Misc. Office, Mtg, Equipment Costs	36,000	9,000	5,968	3,032
Total Goods & Services	\$ 148,000	37,000	25,041	11,959
Personal Service Contracts:				
Consultant Expenses				
FY22 - 2021 Annual Report (Lund)	25,000	16,250	16,250	0
FY23 - 2022 Annual Report (Lund)	25,000	-	-	0
Total Personal Service Contracts	\$ 50,000	16,250	16,250	0
Total Thru Dec 31, 2021	\$ 831,000	211,500	180,853	30,647

FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

2021-23 Capital Budget - Sorted by Biennium - Effective Jan. 14, 2022

Likelihood to expend 21-23 biennial appropriation:

- High
- Medium
- Low
- Under Agreement

	Agency	Project Title	Yr. Selected	Current FMSIB Auth	19 - 21 (Plan)	21 - 23 (Plan)	21-23 Expenditure	23 - 25	25 - 27
18	Spokane Co	Bigelow Gulch / Forker Rd Realignment	2010	6,000	2,189	1,876	0	0	0
		Subtotal			2,189	1,876	-		
1	Chelan Co	West Cashmere Bridge	2018	3,000	3,000	0		0	0
6	Fife / WSDOT	70th Ave E - Freight Bottleneck	2018	5,000	2,500	2,500	364	0	0
10	Longview	SR 432/SR 411 Intersection Improvements	2016	2,100	2,100	0	17	0	0
12	Port of Kalama	Industrial Rail Additions	2018	2,400	0	2,400		0	0
22	Spokane Valley	Barker Rd / BNSF Grade Separation	2013	6,000	1,000	5,835	3	0	0
23	Sumner	SR 410 Traffic Ave/E Main	2016	2,500	2,500	0		0	0
26	Tacoma	Taylor Way Rehabilitation	2016	2,500	2,500	1,000	879	0	0
11	Marysville	SR 529/I-5 Interchange Expansion	2014	5,000	1,100	5,000		0	0
21	Spokane Valley	Barker Rd Corridor Widening - Spokane River to SR290	2018	1,680	1,680	692	8	0	0
19	Spokane Co	Bigelow Gulch Phase 3	2018	2,270	1,134	1,136	188	0	0
	Statewide	Future Awards			0	0		22,000	28,500
		Past and Current Biennial Subtotals			19,703	18,563	1,459		
5	Fife	I-5/Port of Tacoma Road Interchange Ph 2 (south side I-5)	2010	7,533	0	6,333		1,200	0
16	Seattle	East Marginal Way Heavy Haul Corridor	2018	6,100	0	3,000		3,100	0
24	Sumner	Stewart Road	2018	3,700	0	2,000		1,700	0
		Future Total				31,772		28,000	28,500
		Program Total		55,783	19,703		1,459	28,000	28,500
Biennial Time Expended:						25%	5%		

Revenue		Beginning Balance	23,189	12,175	2,067	2,276
	Freight Mobility Investment Account - 09E		13,298	11,171	13,698	14,511
	Freight Mobility Multimodal Account - 11E		-1,296	10,493	14,511	14,511
	Motor Vehicle Funds		4,907	0	0	0
	Total Revenue		40,098	33,839	30,276	31,298
Expenditures						
	Freight Mobility Investment Account - 09E		17,345	16,577	13,351	13,351
	Freight Mobility Multimodal Account - 11E		5,704	15,195	14,571	14,571
	Highway Safety Account		81			
	Motor Vehicle Funds (Federal)		5,064			
	Total Expenditures		28,194	31,772	28,000	28,500
Reappropriation			11,904	2,067	2,276	2,798

FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

Active Projects - Sorted by biennium - Status Effective Jan. 14, 2022

Likelihood to expend 2021-23 biennial appropriation:

	- High
	- Medium
	- Low
	- Under Agreement

- FMSIB Award to Const. is less than 2 years
- FMSIB Award to Const. is between 2 and 4 years
- FMSIB Award to Const. is **more** than 4 years

No. of Projects

4
6
3

13

- Changes from Nov. 2021 report

		PROJECT STATUS				
<u>Agency</u>	<u>Project Title</u>	<u>Selected</u>	<u>FMSIB Award</u>	<u>Fully Funded</u>	<u>Under Const.</u>	<u>Open to Traffic</u> <u>Fully Reimb.</u>
<u>17-19 Biennium</u>						
18	Spokane Co	Bigelow Gulch / Forker Rd Realignment	2010			
<u>Started in 19-21 Biennium</u>						
1	Chelan Co	West Cashmere Bridge	2018			Nov. 2021
6	Fife / WSDOT	70th Ave E - Freight Bottleneck	2018			
10	Longview	SR 432/SR 411 Intersection Improvements	2016			
12	Port of Kalama	Industrial Rail Additions	2018			Could go to construction Spring 2022
22	Spokane Valley	Barker Rd / BNSF Grade Separation	2013			On Winter suspension
23	Sumner	SR 410 Traffic Ave/E Main	2016			
26	Tacoma	Taylor Way Rehabilitation	2016			
11	Marysville/WSDOT	SR 529/I-5 Interchange Expansion	2014			Award scheduled Jan. 2022
21	Spokane Valley	Barker Rd Corridor Widening - Spokane River to SR290	2018			Phases 1, 2a and 3 open, 2b in design
19	Spokane Co	Bigelow Gulch Phase 3	2018			
<u>21-23 Biennium</u>						
5	Fife	I-5/Port of Tacoma Road Interchange Ph 2 (south side I-5)	2010			Did not receive RAISE grant Nov. 2021
16	Seattle	East Marginal Way Heavy Haul Corridor	2018			Rec'd RAISE grant Nov. 2021 Presentations 3/20/20, 7/30/20, discussion 9/18/20, presentation 1/15/21, discussion 3/26/21, updated Nov. 2021
24	Sumner	Stewart Road	2018		Dec-21	FMSIB presentation 9/18/20 and 1/15/21
		Total				





2022 Supplemental Governor Proposed Financial Plan
December 16, 2021
Freight Mobility Investment Account (Fund 09E)
(Dollars In Thousands)

		Revised 2021-23	2023-25	2025-27
Beginning Fund Balance		7,056	276	262
Working Capital Reserve		0	0	0
Total Revenues		323	323	323
Treasury Deposit Earnings		323	323	323
Total Transfers/Distributions		11,511	14,511	14,511
Connecting Washington Support from 108 to 09E		5,511	8,511	8,511
Stat Lic/Permits/Fees Distr from 09H to 09E		6,000	6,000	6,000
Total Expenditures		18,614	14,848	14,865
411-010 FMSIB-Operating	State	845	848	865
411-01C FMSIB-Capital	State	17,769	14,000	14,000
Ending Fund Balance		276	262	231

2022 Supplemental Governor Proposed Financial Plan
December 16, 2021
Freight Mobility Multimodal Account (Fund 11E)
(Dollars In Thousands)

			Revised 2021-23	2023-25	2025-27
Beginning Fund Balance			4,683	165	987
Working Capital Reserve			0	0	0
Total Revenues			6,311	6,311	6,311
Treasury Deposit Earnings			311	311	311
Vehicle Related Fees			6,000	6,000	6,000
Total Transfers/Distributions			5,311	8,511	8,511
Connecting Washington Support from 218 to 11E			4,011	8,511	8,511
Transfer from 106 to 11E			1,300	0	0
Total Expenditures			16,140	14,000	14,511
411-01C	FMSIB-Capital	State	16,140	14,000	14,511
Ending Fund Balance			165	987	1,298

OFM Transportation Document 2022-2: Proposed FMSIB Project List
December 16, 2021
22GOV002 - Governor Proposed FMSIB List
(Dollars in Thousands)

Project	Project Title	Leg Dist	2019-21	2021-23	2023-25	2025-27	2027-29	2029-31	2031-33	2033-35	2035-37	Future	Total(Excl Prior)
FMSIB Projects			26,056	33,909	29,500	28,500	0	0	0	0	0	0	91,909
1LP912F	Duwamish Truck Mobility Improvement Project	11	92	0	0	0	0	0	0	0	0	0	0
3LP101F	SR 99 Puyallup River Bridge	02	1,742	0	0		0	0	0	0	0	0	0
3LP138F	Port of Tacoma Rd Interchange Phase 3	25	0	5,833	1,700	0	0	0	0	0	0	0	7,533
3LP139F	Port of Tacoma Rd Interchange Phase 2	25	4,333	0	0	0	0	0	0	0	0	0	0
6LP131F	Barker Rd / BNSF Grade Separation	04	0	6,000	0	0	0	0	0	0	0	0	6,000
6LP132F	Bigelow Gulch / Forker Rd Realignment	04	113	2,076	0	0	0	0	0	0	0	0	2,076
9LP999B	Port of Tacoma Rd- Interchange improvements	27	2,334	0	0	0	0	0	0	0	0	0	0
L1000205	Steward Rd	31	0	2,000	1,700		0	0	0	0	0	0	3,700
L1000206	East Marginal Way Heavy Haul Corridor Improvements	11,37	0	2,000	4,100	0	0	0	0	0	0	0	6,100
L1000207	Barker Rd Corridor Widening - Spokane River to SR-290	04	967	713	0	0	0	0	0	0	0	0	713
L1000208	West Cashmere Bridge	12	3,000	0	0	0	0	0	0	0	0	0	0
L1000209	Bigelow Gulch - Phase 3	04	87	2,183	0	0	0	0	0	0	0	0	2,183
L1000210	SR 529/I-5 Interchange Expansion		0	5,000		0	0	0	0	0	0	0	5,000
L1000211	Industrial Rail Additions	20	0	3,900	0	0	0	0	0	0	0	0	3,900
L1000212	70th Ave. E - Freight Bottleneck Relief	25	2,500	2,500		0	0	0	0	0	0	0	2,500
L1000214	Taylor Way Rehabilitation	25,27	1,621	879	0	0	0	0	0	0	0	0	879
L1000216	SR 432/SR 411 Intersection Improvements	19	1,844	256	0	0	0	0	0	0	0	0	256
L1000217	Burlington Northern Overpass Replacement	40	833	0	0	0	0	0	0	0	0	0	0
L1000218	S Lander St Grade Separation	11	1,231	279	0	0	0	0	0	0	0	0	279
L1000219	SR 410 Traffic Ave/E Main	31	2,210	290	0	0	0	0	0	0	0	0	290
L1000289	Future Awards		0	0	22,000	28,500	0	0	0	0	0	0	50,500
L1000292	S 228th Street Extension & Grade Separation	31,33,42	3,149	0	0	0	0	0	0	0	0	0	0

FMSIB Director's Report

January 14, 2022

(Last Report: November 19, 2021)

Freight Policy Advisory Committee (FPAC)

This FMSIB Committee was formed to develop recommendations to the Board regarding the provisos in FMSIB's 2021-23 Budget. The Committee members include Committee Chair Mayor Ben Wick, Commissioner John McCarthy, Matt Ewers, Mayor Anne McEnerny-Ogle, and Temple Lentz (replacing Bob Watters). FMSIB Chair Dan Gatchet has been attending meetings, as well as Ron Pate and Jason Beloso from WSDOT.

The FPAC met every two weeks between April 26 and September 7. In those 10 meetings, the Committee has reviewed the proviso language, developed guiding principles, developed a framework for identifying and prioritizing freight investments, addressed specific proviso issues (like the definition of "freight," what "geographic equity" means, and what level of project readiness the Legislature expects). The Committee also recently began discussing potential freight project eligibility and prioritization criteria.

At the September 16 Board workshop, members heard Rep. Fey's views on the proviso. The next day, the Board discussed several new ideas and asked the FPAC to continue working and report to the Board on their progress. The FPAC met four more times. The last meeting was held on November 8.

At the November 19 meeting, the Board adopted a draft report, which was finalized by FPAC members in the ensuing days and approved by FPAC on November 29. The final Phase 1 Report to the Legislature and Governor was submitted November 30.

FMSIB staff prepared a work plan for Phase 2 and presented it to Chair Gatchet and FPAC Chair Wick on December 15. They both approved the direction of the work plan and requested an additional FPAC meeting before the January 14 Board meeting. The FPAC and WSDOT staff met on January 6. Revisions were made to the draft Workplan and are being recommended to the Board for approval.

Governor's Transportation Budget

Governor Inslee submitted his 2022 Supplemental Transportation Budget to the Legislature on December 16. FMSIB is included in the Governor's request along with the other state transportation agencies (i.e., WSDOT, TIB, CRAB, DOL, WSP, etc.). The Governor's proposal fully funds FMSIB's current project portfolio for the next six years. This includes the policy changes requested by the Board at their November 19 meeting (see **"Excerpt from November 19, 2021, Meeting Minutes"** at end of this report). Importantly, the Governor's proposal also proposes to fully expend the dedicated revenues in the Freight Mobility Investment Account (FMIA) and the Freight Mobility Multimodal Account (FMMA).

The LEAP list and Financial Plan will be discussed during the January meeting. Fully expending the revenues deposited in the FMIA and FMMA accounts will require the Legislature to lift the current prohibition on a FMSIB Call for Projects.

2022 Legislative Session

Chair Gatchet and FMSIB staff briefed Leonard Barnes, Chair of the FMSIB Legislative Committee on January 3. Because of limited access to legislative offices in the 2022 Session, FMSIB's historical January Day on the Hill has been canceled. However, the Board still desires to reach out to legislators and provide support for the Governor's proposed transportation budget.

Outreach to legislative members will begin January 14 at the Board lunch meeting, which includes the Transportation Chairs and Ranking Minority Members in attendance. Other outreach options discussed included conducting virtual meetings with key transportation committee members to describe the Phase 1 Proviso Report and answer any questions. An additional outreach approach could be specifically targeted to new transportation committee members and/or committee members with whom Board members desire to meet.

2021 Annual Report

An annual report is required by statute and is currently being prepared. In July and August, Kjris Lund and FMSIB staff conducted interviews for nearly all FMSIB Board members, as well as other friends of freight. Interviewees included representatives from the Association of Washington Cities, Washington Association of Counties, the Washington Public Ports Association, and the Washington Trucking Associations.

At the September Board meeting, Kjris Lund provided an update on the interview results and shared some possible themes for the report. The November Board meeting presentation focused on the report outline. The final report will be discussed briefly at today's meeting and then will be distributed to FMSIB's traditional mailing list:

RECIPIENT	NUMBER of E-Copies Sent 2020
Board Members & Assistants, Interested Individuals	53
House and Senate Transportation Committee Members & Legislative Assistants	88
Congressional Members & Transportation Advisors	24
Cities	281
Ports	58
County Commissioners	139
County Public Works Directors	55
Project Leads	33
Miscellaneous	26
WA State Library	1
TOTAL	758

RECIPIENT	NUMBER of Printed Copies Sent 2020
Consultant Team	2
WA State Library	2
TOTAL	4

Please contact the FMSIB Office if you are interested in the specific mailing list.

Freight Mobility Outreach (Meetings, Conferences and Events)

To better understand the freight mobility issues affecting our customers, FMSIB staff attended and/or facilitated the following meetings, conferences, and events:

- Nov. 23 – Transportation Check-in with Friends of Freight (WPPA, WSAC, AWC, and TIB)
- Nov. 29 – Final (for 2021) FPAC meeting to adopt edits to the final Phase 1 Budget Proviso Report.
- Dec. 1 – Presented an update on FMSIB to the WPPA Trade and Transportation Committee meeting in Bellevue, at WPPA’s request.
- Dec. 2 – Attended Washington Highway Users Federation (WHUF) Interim Briefing in Tacoma. In addition to presentations from WSDOT and the Transportation Commission, four legislators provided their perspectives on transportation issues in the upcoming session.
- Dec. 7 – Met with House and Senate legislative staff to discuss the 2022 FMSIB project list.
- Dec. 8 – Attended the PSRC’s Freight Advisory Committee meeting. WSDOT presented their workplan for developing the Freight Plan Update and the freight funding project list.
- Dec. 9 – Met with new Transportation Commission policy manager and former FMSIB member Jill Satran.
- Dec. 13 – Attended inaugural meeting of Legislative “Supply Chain” Caucus.
- Dec. 13 – Attended Road Usage Charge Steering Committee meeting.
- Dec. 15 - FMSIB staff prepared a work plan for Phase 2 of the budget proviso report and presented it to Chair Gatchet and FPAC Chair Wick.
- Dec. 16 – Attended Joint Transportation Committee (JTC) meeting on “Truck Parking.”
- Jan. 3 – Met with Chair Gatchet and Legislative Chair Leonard Barnes to discuss 2022 Session.
- Jan. 3 – Met with Congressman Larsen (at his request) and other FMSB members and port representatives to discuss the new federal funding act and opportunities for Washington.
- Jan. 4 – Met with House and Senate legislative staff and WSDOT Local Programs to discuss the FMSIB budget and LEAP list.
- Jan. 6 – Met with FPAC to review the draft Phase 2 work plan for delivering on FMSIB’s budget proviso requirement.

“Excerpt from November 19, 2021, Meeting Minutes”

City of Fife POT Rd I/C-Ph 2-Allocations to Other Projects

Board Action Item: Possible Board action to allocate funds to other projects.

Chair Gatchet noted that after the September workshop, FPAC was given a second assignment to review FMSIB’s project portfolio to see if any projects delayed in delivery this biennium could become “donors” to other projects that could spend FMSIB funding this biennium. Director Ziegler identified projects for FPAC to consider. FPAC’s report is included in the meeting packet.

FPAC Chair Wick reviewed the background work in the report and presented the four options for the Board to consider. The Committee provided scenarios for projects that could use money this biennium: this is not removing money but shifting to projects ready to go. Port of Kalama could use \$1.5 million additional funds to expend this biennium. City of Seattle cannot spend the full \$3 million this biennium. The City of Fife POT Rd I/C Phase 2 could expend \$5.5 million of their \$6.33 million this biennium on right-of-way and design, leaving \$830,000 available this biennium to transfer to another project. There are no statutory restraints on FMSIB allowing funding of right-of-way and design. Several years ago, the Board decided to not write a policy and instead accept each request on an ad hoc basis.

Board Discussion

Mayor McEnerny-Ogle asked about what happens if the Fife project does not move forward. Director Ziegler stated that FMSIB will receive money back from projects that don’t move forward. Mayor McEnerny-Ogle thinks any changes in allowing Fife this flexibility needs to be in writing with a short deadline to keep things moving. Commissioner Swannack likes the idea of being nimble, but not sure if he agrees with funding the Fife project since they did not receive a RAISE Grant and we awarded the project in 2010.

Commissioner McCarthy noted that POT Rd I/C Phase 2 is an important project to the Port of Tacoma and asked if there has been any recent contact with them regarding property acquisition. Commissioner McCarthy prefers to keep funds where originally designated and thinks it might be a good opportunity to purchase property at a good price. Director Ziegler mentioned that the federal government offered a loan to Fife since they were so close to qualifying for a grant. Fife declined the loan because they hope to obtain state funds or future RAISE money.

Councilor Lentz supports reallocating money, but the goal should be about advancing the project in a meaningful way. Mr. Bennett suggested asking for feedback from Fife to illustrate how these changes worked for them.

Staff Action/Recommendation Items:


- 1) Director Ziegler to contact Erik Hansen, OFM, immediately regarding the Board’s motions.
- 2) Director Ziegler to follow up with the City of Fife to see what effect policy change has on project delivery.

MOTION: Mayor Wick moved to authorize the City of Fife POT I/C-Phase 2 to expend the FMSIB appropriation on right-of-way acquisition and design, subject to repayment if construction is not started within four years. Mr. Bennett seconded.

AMENDMENTED MOTION: Mr. Ewers moved to authorize \$1.5 million in new funding to Port of Kalama Industrial Rail Additions project (from unused \$1 million East Marginal Way appropriation authority and \$0.5 million from Fife POT Rd I/C) and to restore appropriation authority to East Marginal Way and POT Rd I/C projects in the 2023-25 Biennium. Commissioner Swannack seconded. ***MOTION CARRIED***

FMSIB SSB-5165 Work Plan (Phase 2)

Revised: 1/6/22

WSDOT Freight Plan Milestones - 

No.	Task	Who	Due	Started	Complete	Comments
1	Testify to Phase 1 Report in Legislature	FMSIB and staff	1/10/22 thru 3/31/22	x		Annual Report describes the budget proviso requirements and FMSIB accomplishment to date.
2	Develop Draft 2022 Work Plan for FPAC	Staff		x	x	
3	Present Draft Work Plan to Board Chair and FPAC Chair	Staff	12/15/21	x	x	FMSIB and FPAC Chairs requested FPAC review of Draft Work Plan prior to January FMSIB Board meeting
4	FPAC review of Draft Workplan	FPAC	1/6/21	x	x	FPAC recommends Board approval
5	Board Meeting	FMSIB	1/14/22			
	Requesting list of priority NHFP Projects	WSDOT	Mid-Jan			Initiated 1/5/22, 1/19/22 Webinar
6	Develop Freight Stakeholder Outreach Plan	FPAC and staff	1/17/22			
7	Develop Eligibility and Prioritization Criteria	FPAC and staff	1/31/22			
8	Develop DRAFT Freight Stakeholder Outreach Plan and Eligibility Criteria for MPO/RTPO Coordinating Committee	FPAC and Staff	2/14/22			
9	Present DRAFT Freight Stakeholder Outreach Plan and Eligibility Criteria to MPO/RTPO Coordinating Committee	Staff	2/22/22			
10	Review Feedback from MPO's. Develop DRAFT Recommendation to Board on Freight Stakeholder Outreach Plan and Eligibility Criteria	FPAC and staff	2/28/22			
	Deadline to Complete Request of NHFP Projects	WSDOT	Mid-Mar			
	Initiate Validation of NHFP Projects	WSDOT	Mid-Mar			
11	Board Meeting	FMSIB	3/18/22			
12	Revise DRAFT Freight Stakeholder Outreach Plan	FPAC and staff	3/21/22			
13	Implement Freight Stakeholder Outreach Plan and Solicit Investment Ideas	FPAC and staff	4/4/22			
14	Legislative Approval of FMSIB budget		4/15/22			
15	Update FPAC on Stakeholder Outreach	Staff	4/18/22			
16	Update FPAC on Stakeholder Outreach	Staff	5/2/22			
17	Update MPO/RTPO Coordinating Committee	Staff	5/10/22			
18	Assemble Initial Results from Freight Stakeholders	FPAC and staff	5/16/22			
	Complete Validation of NHFP Projects	WSDOT	June			
	Initiate "Selection Committee" Review of NHFP Projects	WSDOT	June			
19	Board Workshop and Meeting	FMSIB	6/2-3/22			
20	Potential FPAC Meeting		6/6/22			
21	Potential FPAC Meeting		6/20/22			
22	HOLIDAY		7/4/22			
23	Potential FPAC Meeting		7/11/22			
24	Potential FPAC Meeting		7/25/22			
	Finalize "Selection Committee" Review of NHFP Projects	WSDOT	July			
25	Potential FPAC Meeting (Finalize and Validate DRAFT Investment List)		8/8/22			
26	Potential FPAC Meeting (Finalize and Validate DRAFT Investment List)		8/22/22			
27	Assemble DRAFT Investment List for Board	FPAC and staff	9/5/22			
28	Board Meeting		9/16/22			
29	Modify DRAFT Investment List per Board Direction	FPAC and staff	9/19/22			
	Submit Draft Freight Plan to FHWA	WSDOT	10/1/22			
30	Develop PRELIMINARY Investment List and submit to Governor for consideration in 23-25 Budget	FPAC and staff	10/3/22			
31	Develop FINAL Investment List for Board review	FPAC and staff	10/17/22			
32	Develop FINAL Investment List for Board review (con't.)	FPAC and staff	10/31/22			
33	Share FINAL Investment List with MPO/RTPO Coordinating Committee	Staff	11/15/22			
34	Board Meeting		11/18/22			
35	Submit Final Report to Leg/Gov		12/1/22			
36	Provide Legislative Testimony on the Investment List	Board members and staff	Jan - Apr 2023			

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- 1) Director Ziegler to contact Erik Hansen, OFM, immediately regarding the Board’s motions.
- 2) Director Ziegler to follow up with the City of Fife to see what effect policy change has on project delivery.

MOTION: Mayor Wick moved to authorize the City of Fife POT I/C-Phase 2 to expend the FMSIB appropriation on right-of-way acquisition and design, subject to repayment if construction is not started within four years. Mr. Bennett seconded.

AMENDMENTED MOTION: Mr. Ewers moved to authorize \$1.5 million in new funding to Port of Kalama Industrial Rail Additions project (from unused \$1 million East Marginal Way appropriation authority and \$0.5 million from Fife POT Rd I/C) and to restore appropriation authority to East Marginal Way and POT Rd I/C projects in the 2023-25 Biennium. Commissioner Swannack seconded.

MOTION CARRIED



FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

505 Union Avenue SE, Suite 350 • PO Box 40965 • Olympia, WA 98504-0965 • (360) 586-9695

Dan Gatchet,
Chair

January 14, 2022

Brian Ziegler,
Director

Board Members
Leonard Barnes

Peter Bennett

Matthew Ewers

Erik Hansen

Johan Hellman

Temple Lentz

John McCarthy

Anne McEnery-Ogle

Roger Millar

Arthur Swannack

Ben Wick

Website
www.fmsib.wa.gov

Mr. Mark Wilson
Executive Director
Port of Kalama
110 W. Marine Drive
Kalama, WA 98625-9500

Dear Mr. Wilson:

This letter supersedes FMSIB Award Letter to Mr. Mark Wilson dated June 5, 2018 (see attached).

The FMSIB Board met on November 19, 2021, and voted to amend your FMSIB grant in accordance with the provisions of this letter.

The project will be listed as #96 on the FMSIB list and has been funded as follows:

Project Name:	Total Project Cost:	FMSIB Share:
Industrial Rail Additions	\$13,250,000	\$3,900,000 (29.4%)

Funding Availability:

The **FMSIB Share** funds should be available to reimburse your expenditures in the 2021-23 Biennium.

By statute, the Board is required to leverage these funds to the greatest extent possible. Also, the Board expects your agency to deliver the project and complete your full reimbursement in the 2021-23 Biennium. The Board may **defer** projects that are not progressing according to that schedule. Finally, in accordance with criteria established in state law, the Board may **cancel** a project after six years of deferral.

FMSIB reimbursements on this project will not exceed the **FMSIB Share** listed above, even if project costs increase above the **Total Project Cost** listed above. Also, if the **Total Project Cost** decreases, FMSIB's share will be reduced proportionately to maintain the **FMSIB Share** percentage listed above.

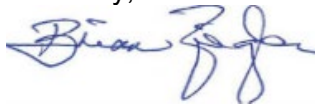
For this project and this project only, the FMSIB Board has authorized preliminary engineering and right-of-way acquisition as project expenses that are eligible to be reimbursed with FMSIB funding. The Port understands and agrees that any FMSIB reimbursement to the Port will be subject to repayment to FMSIB if the rail project is not completed.

Mark Wilson
January 14, 2022
Page 2

This funding award is contingent upon projected FMSIB revenues and subsequent funding authorization from the state Legislature.

Thank you again for submitting your application and congratulations on your selection. We are pleased to be able to work with you on this important project. If you have any questions, please feel free to contact me at (360) 586-9695 or email at ziegleb@fmsib.wa.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Brian J. Ziegler".

Brian J. Ziegler, P.E.
Director

cc: Michelle Courmyer, Executive Assistant
Stephanie Tax, WSDOT Local Programs

Freight Mobility Strategic Investment Board ~ Board Terms

APPOINTMENT TYPE NAME	ORIGINAL APPOINTMENT DATE	ORIGINAL TERM EXPIRES	REAPPOINTMENT DATE (S)	CURRENT TERM EXPIRES	ELIGIBLE for REAPPOINT- MENT
CITIZEN					
Dan Gatchet, Quilcene FMSIB Chair, Citizen Appt.	01/27/2012	06/30/2014	07/11/2014, 05/22/20	06/30/2022	No
CITIES					
Anne McEnerny-Ogle, Vancouver City of Vancouver, Mayor	11/24/2020	06/30/2024		06/30/2024	Yes
Ben Wick, Spokane Valley City of Spokane Valley Mayor	10/22/2018	06/30/2022		06/30/2022	Yes
COUNTIES					
Arthur Swannack, Colfax Whitman County Commissioner	03/10/2017	06/30/2020	05/2020	06/30/2024	Yes
Temple Lentz, Vancouver Clark County Counselor	10/01/2019	06/30/2022		06/30/2022	Yes
GOVERNOR'S OFFICE					
Erik Hansen, Olympia Sr. Transportation Budget Analyst	10/21/2015	06/30/2016	07/01/2016, 10/01/2020	06/30/2024	Yes
PORTS DISTRICTS					
Leonard Barnes, Aberdeen Port of Grays Harbor Deputy Executive Director	03/31/2017	06/30/2018	11/01/2018	06/30/2022	Yes
John McCarthy, Tacoma Port of Tacoma Commissioner	10/22/2018	06/30/2020	07/01/2020	06/30/2024	Yes
RAILROAD					
Johan Hellman, Olympia BNSF Railway	09/09/2014	06/30/2018	10/19/2018	06/30/2022	No
SECRETARY OF TRANSPORTATION					
Roger Millar, Olympia Secretary of WSDOT			07/01/2016, 10/01/2020	09/30/2024	Yes
STEAMSHIP					
Peter Bennett, Tacoma	07/16/2021	06/30/2024		06/30/2024	Yes
TRUCKING					
Matt Ewers, Spokane IEDS Vice President	03/01/2017	06/30/2020	11/24/2020	06/30/2024	Yes
EX-OFFICIO					
Aaron Hunt, Union Pacific Railroad Director of Public Affairs					

Term Length: 4 Years Reappointment Eligibility: 2 Terms

*Term Expires Within One Year: Apply for Reappointment (if eligible). Appointment/Reappointment Application Link: [Gubernatorial Appointment to a Board](#)

FMSIB Project Invoice Review Process

Presentation to the FMSIB Administrative Committee

Rev. 12/13/21

Purpose: Describe recommended changes to the current invoice review process that will address the concerns of the FMSIB Board expressed at their Nov. 19, 2021, meeting.

Current FMSIB Invoice Review Process:

1. Local agency project sponsors must execute a valid Local Agency Agreement (LAA) prior to any reimbursements being allowed. For FMSIB funding, this LAA reflects the FMSIB Award Letter amount.
2. All progress billings are submitted monthly to WSDOT Headquarters Local Programs by the local agency in accordance with the terms of the Local Agency Agreement.
3. The local agency agrees to show continuous progress of the project through submittal of monthly billings. Failure to show continuous progress may result in your project becoming deferred.
4. All progress billings, including the final progress bill are required to be submitted electronically via email (WSDOT HQ Local Programs maintains one email Inbox for this purpose).
5. WSDOT HQ Local Programs reviews the billing for accuracy and authorizes reimbursement.
6. If the billing is prepared properly, payment should normally be received within 30 days of submittal. If payment is not received within this timeframe, the agency contacts WSDOT Headquarters Local Programs.

Recommended FMSIB Invoice Review Process:

1. Local agency project sponsors must execute a valid Local Agency Agreement (LAA) prior to any reimbursements being allowed. For FMSIB funding, this LAA reflects the FMSIB Award Letter amount.
2. All progress billings are submitted monthly to WSDOT Headquarters Local Programs by the local agency in accordance with the terms of the Local Agency Agreement.
3. The local agency agrees to show continuous progress of the project through submittal of monthly billings. Failure to show continuous progress may result in your project becoming deferred.
4. All progress billings, including the final progress bill are required to be submitted electronically via email. **Project Sponsors will simultaneously submit a copy of the invoice to FMSIB.**
5. WSDOT HQ Local Programs reviews the billing for accuracy ~~authorizes reimbursement.~~
6. **FMSIB reviews the billing and submits FMSIB authorization to HQ Local Programs within five days. HQ Local Programs proceeds with reimbursement to the local agency.**
7. If the billing is prepared properly, payment should normally be received within 30 days of submittal. If **FMSIB** payment is not received within this timeframe, the agency should contact **FMSIB** ~~WSDOT Headquarters Local Programs.~~

Notes:

1. Implementing this revised process requires notification to all FMSIB Project Sponsors and regular reminders to Sponsors of the need to submit monthly invoices.
2. For WSDOT-sponsored FMSIB-funded projects, WSDOT currently bills the FMSIB work order authorization directly. FMSIB staff will work with WSDOT Northwest Region staff to develop a review process for the sole remaining WSDOT-sponsored FMSIB-funded project. (Note added after Admin. Committee review)

2022 State Freight Plan Update

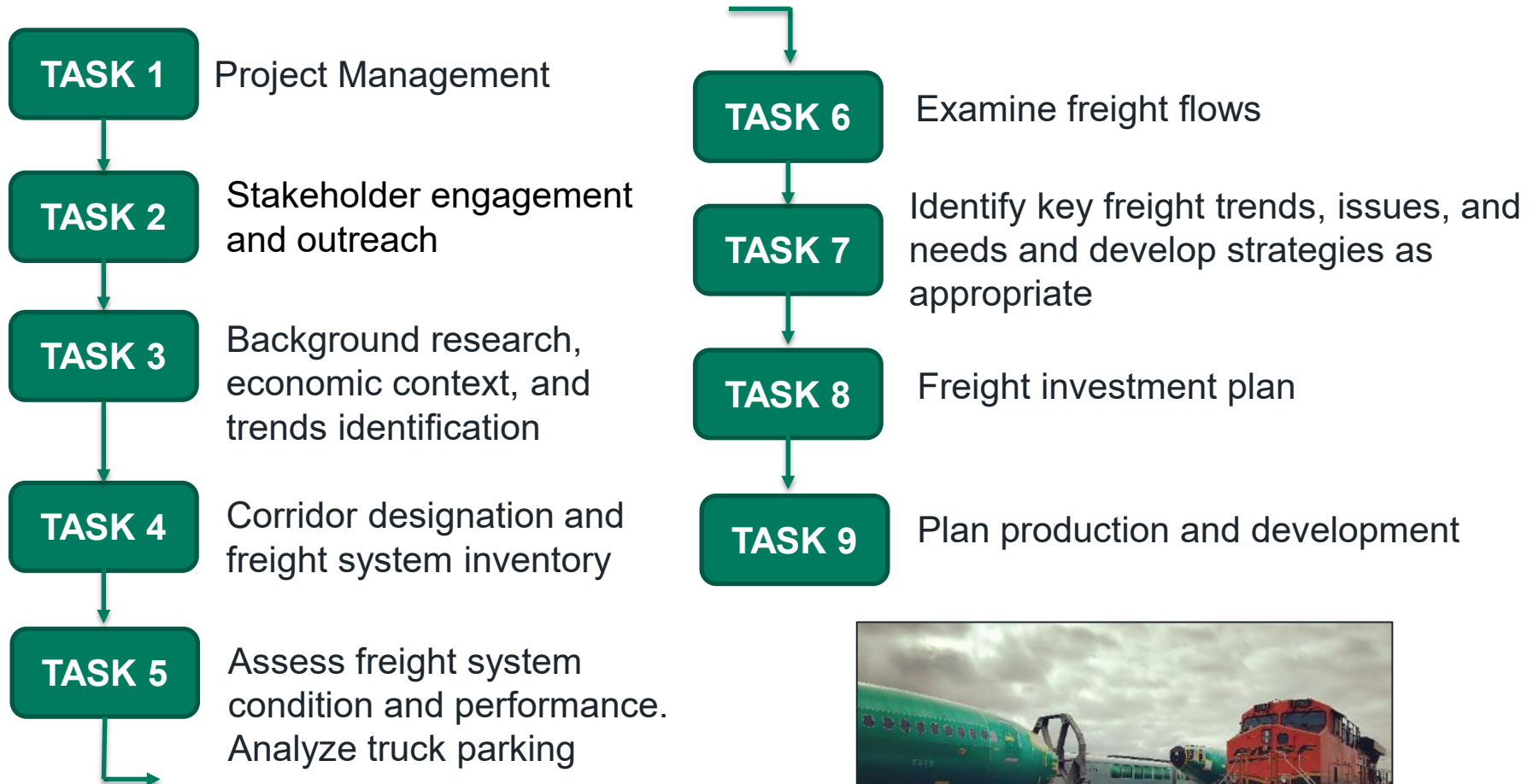
BRIEF: Freight Mobility Strategic Investment Board

Jason Beloso, Planning Program Manager
WSDOT Rail, Freight and Ports Division

January 14, 2022



Freight Plan tasks



Boeing and BNSF | Source: Allegra Calder, BERK Consulting

NHFP overview



Purpose:

FAST Act established the National Highway Freight Program to improve the efficient movement of freight on the National Highway Freight Network. NHFP is five-year, formula-based fund which may be used by States for relevant improvements. Funding is also available for certain freight intermodal, freight rail, lock, dam, and marine corridor projects.



Project Types:

- **Development and other pre-construction activities**
- **Construction and reconstruction**
- **Rehabilitation, land acquisition, and other similar activities**
- **Operational improvements**



Intermodal Projects:

- **Freight intermodal or freight rail projects**
 - **Within the boundaries of public or private freight rail or water facilities (including ports);**
 - **That provide surface transportation infrastructure necessary to facilitate direct intermodal interchange, transfer, and access into or out of the facility;**
- **For the modernization or rehabilitation of a lock and dam, or a marine highway corridor, connector, or crossing designated by the Secretary under section 55601© of title 46 (including an inland waterway corridor, connector, or crossing)**

NEW

Additional NHFP changes under new law



Increase in cap from 10% to 30% for freight intermodal and freight rail projects



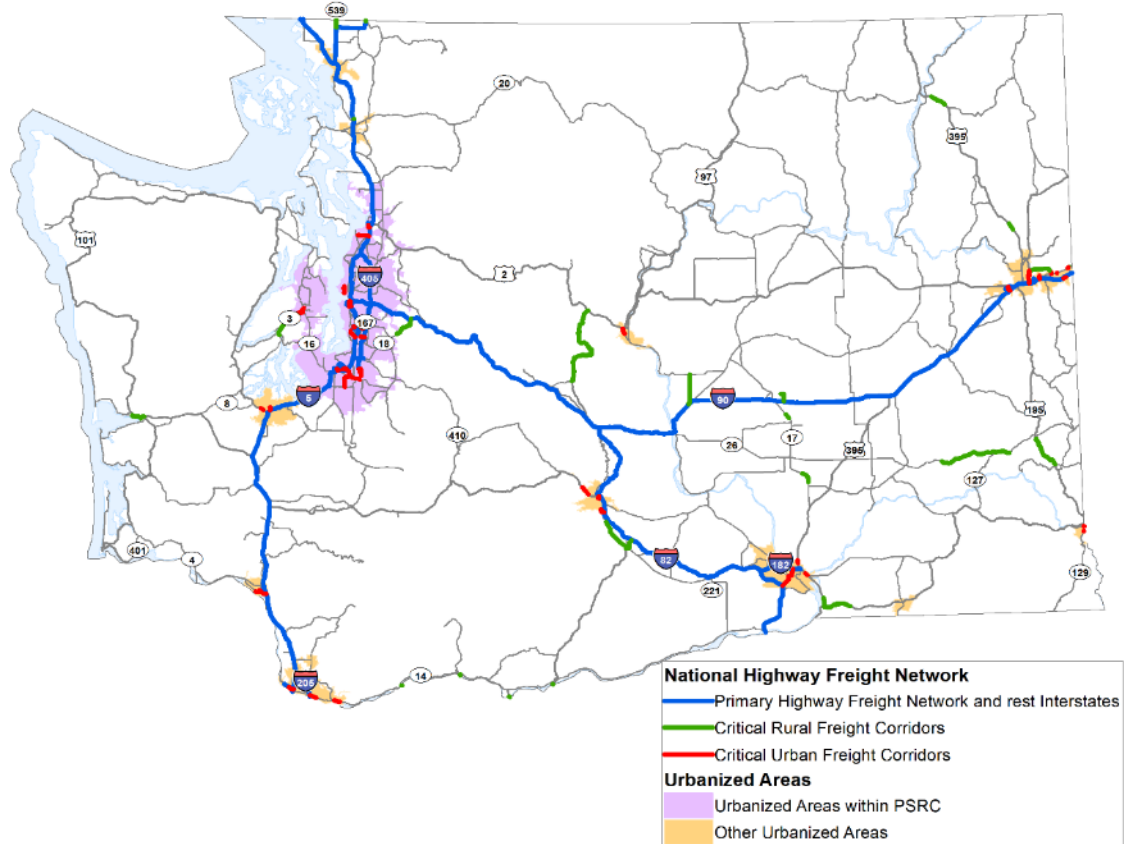
Freight intermodal projects now include lock, dam, and marine corridor rehabilitation and modernization projects



Critical Urban / Critical Rural (CU/CR) corridor mileage doubled: CU to 150 miles and CR to 300 miles

National Highway Freight Network in WA

- All projects must contribute to efficient movement of freight on the National Highway Freight Network (NHFN)
- The primary network is supplemented by Critical Urban and Rural corridors
- WSDOT leads CU/CR process with MPO support. For Puget Sound region, PSRC leads CU process, WSDOT support
- Corridor update will be based on projects selected for NHFP funding



Regional coordination process



Process Overview:

WSDOT is working with MPO/RTPOs to designate CU/CR freight corridors. MPO/RTPOs are also asked to identify and submit regional list of priority NHFP freight projects to WSDOT.

Technical Working Group:

Refining draft criteria for evaluating and scoring NHFP projects

NHFP project request:

WSDOT requests list of priority NHFP projects from MPO/RTPOs

MPO NHFP List:

MPOs coordinate with members to create a list of priority NHFP projects

Project Selection:

WSDOT conducts technical review validation and preliminary scoring. Selection committee reviews and selects projects

CU/CR Process:

Revise CUFC/CRFC definitions based on selected projects

Draft selection criteria



Why update the criteria?

- New eligibilities, priorities and requirements
- Prior criteria are 4+ years old
- Prior criteria relied heavily on qualitative statements from applicants



How are the criteria being updated?

- Consultative process with technical work group
- Emphasis on quantitative data when possible
- Enhance to make data and information for applications easily available
- Greater focus on intermodal projects

Project scoring criteria

Criteria developed in conjunction with Technical Working Group

Policy Goals	Measure Areas	EXAMPLE ONLY Policy Goal weight	EXAMPLE Only maximum points
System Preservation	<ul style="list-style-type: none"> Improve the State of Good Repair of Freight Infrastructure 	20%	20
Freight Safety	<ul style="list-style-type: none"> Prevent or reduce injuries or fatalities Reduce conflict with vulnerable transportation users 	15%	15
Stewardship	<ul style="list-style-type: none"> Percent match of non-federal fund Implementation of lowest cost solutions for the specific freight need 	10%	10
Freight Mobility	<ul style="list-style-type: none"> Reduce congestion and improve reliability 	15%	15
Economic Vitality	<ul style="list-style-type: none"> Support the economy and employment Project's location on the FGTS Degree of connection to intermodal facility 	25%	25
Protect the Environment and Communities	<ul style="list-style-type: none"> Reduce freight negative impacts on water quality Reduce negative impacts on wildlife Reduce negative impacts on vulnerable communities 	15%	15
Total		100%	100

Note: policy goal weights shown are EXAMPLES ONLY and **subject to change. Policy goal weights for project prioritization will be determined by the project selection committee.*

Additional scoring criteria

“Additional Benefit” categories give credit for improvements that reflect mounting freight system priorities



Note: up to 10 maximum points for each category

NHFP parameters to consider



Approximately \$50 million total funding available for local projects in FY 22-25 [[SSB 5165, Sec. 311\(8\)](#) and [LEAP Project ID 2000100](#)]

Up to 30% for intermodal and freight rail projects including lock, dam, and marine corridor rehabilitation and modernization projects

Project must provide a clear benefit for freight transportation

Project readiness for FY 22-25

All other federal requirements apply (such as STIP inclusion, NEPA, etc.)

Non-federal match requirement: 13.5% per phase

Outreach and engagement

**Internal & External
Subject Matter Expert
Interviews**



**Social
Equity
Approach**

**Outreach to
Impacted
Communities**

**General Public
Outreach**

Public outreach tools

- Freight Plan Website
- Education materials (translated fact sheets, presentations)
- "Quick Hits" education campaign (videos, Blog, Social Media)
- Email updates to subscribers
- Public webinars with live translation
- Surveys
- Paid social media to targeted communities
- Meeting-in-a-box kit
- Partner share E-Toolkit
- Meetings and Interviews with impacted communities

Dates and milestones

Freight Plan Update



Summarize existing freight data

Nov – Dec 2021



Analyze freight issues and needs

Nov – Feb 2022



Identify strategies to improve freight mobility

Feb - July 2022



Create draft Freight Plan Update

July – Aug 2022



Finalize Freight Plan Update

Sept 2022

Freight Investment Plan

Nov – Dec 2021

TWG supports criteria and process development

Spring 2022

WSDOT convenes and staffs project selection committee

March – May 2022

WSDOT conducts technical review validation and preliminary scoring

Aug 2022

Draft and finalize Freight Investment Plan

Jan – March 2022

MPOs/RTPOs develop list of priority NHFP projects

June – July 2022

Selection committee reviews and selects projects

October 2022

Submit to FHWA for federal review

Links and contact info

2022 Freight System Plan

wsdot.wa.gov/construction-planning/statewide-plans/freight-rail-plans/freight-system-plan

2017 Freight System Plan

wsdot.wa.gov/publications/fulltext/freight/Freight-Plan-2017SystemPlan.pdf

Other Freight Publications

wsdot.wa.gov/construction-planning/statewide-plans/freight-rail-plans

Jason Beloso

BelosoJ@wsdot.wa.gov

[Return to Agenda](#)



History of FMSIB Funding

January 14, 2022

Brian Ziegler, Director

Agenda



- Pre-FMSIB
- The Early Days (1998-2005)
- The Hedy Days (2006 – 2019)
- The Dog Days (2019 to Present)
- Some Historical Financial Data
 - Expenditures
 - Fund Balances
 - CWA Plan
- Future Days



Pre-FMSIB

“The 1990’s”

1990's (cont.)



State ports continue raising concerns about Washington State's trade dependency and competition:

- Southern California Ports: Alameda Corridor
- British Columbia: Delta Port
- Post-Panamax ships

1996



WHEREAS, recent interagency efforts have identified the elements of a strategic freight corridor through the Green River Valley and connecting the Ports of Seattle and Tacoma, known as ***the Freight Action Strategy for the Seattle-to-Tacoma (FAST) Corridor***, and

WHEREAS, the FAST Corridor work has involved the Ports of Seattle, Tacoma, and Everett; the cities of Seattle, Tacoma, Everett, Auburn, Kent, Tukwila, Puyallup, Sumner, Renton, Pacific, and Algonia; the Burlington Northern & Santa Fe and Union Pacific Railways; the Puget Sound Regional Council; the WSDOT Office of Urban Mobility; and the counties of Pierce, Snohomish, and King, which are the parties to the memorandum, and ...

1996 (cont.)



- Legislative Transportation Committee:
 - Convened private sector freight representatives: Freight Mobility Advisory Committee (FMAC)
 - Hired a consultant to analyze freight needs, make recommendations
 - Recommendations were the formula for creation of FMSIB

1997



- FMAC recommendations:
 - Adopt a state freight mobility policy
 - Establish a process for determining strategic freight investments (including eligibility and selection criteria)
 - Establish a dedicated funding source to support:
 - 1) A new freight mobility program; and
 - 2) Strategic freight mobility investments
 - Fund special studies to ensure freight mobility needs are well-defined
 - Address non-physical barriers (i.e. regulations, permits, technology, safety, speed)

1997



- FMAC project criteria recommendations:
 - Make the program modally and jurisdictionally neutral
 - Focus on freight transportation
 - Take a long-term perspective: current project needs should not “unduly influence” long-term objectives of program

Other:

“No common measure or set of measures has emerged for comparing freight mobility improvements across different modes at the state level or across regions.”

1998



- FMSIB created:
 - 12-member board. Chair: Dan O’Neal
 - Independent board was *critical* part of authorization-would not have passed if part of another agency or jurisdiction
 - Initial staffing by WSDOT (two executive directors), assistance by Transportation Improvement Board and County Road Administration Board
 - **\$100M/biennium budget.** Proposed funding source: Referendum 49 (passed in November 1998)
 - 33 projects of \$341.91M selected as part of first 6-year plan (based on FMAC recommendation)
 - Included “FAST” Corridor projects



The Early Days

1998-2005

1998-99



- 1998: Referendum 49 was on the ballot and passed by citizens.
 - Lowered vehicle excise taxes
 - Provided \$1.9 billion in bonds for highway projects.
- 1999: Initiative 695 on the ballot, also passed by the citizens.
 - Lowered vehicle license fees to \$30
 - Eliminated the source of funds for FMSIB projects.
- Initiative 695 declared unconstitutional, but



ESHB 1858

07May04D_4570

2000



- Supplemental budget salvaged 12 FMSIB projects
- Puget Sound Regional Council funded 2 more
- FMSIB does first call for projects
 - 18 selected
 - Added to first 33 active projects

2002



- Referendum 51: Nine-cent gas tax on ballot
 - Included funding for FMSIB projects
 - Voters reject referendum
- FMSIB conducts call for projects

2003 - Legislature Enacts Nickel Package



- 15% surcharge on truck weight fees
- Washington Trucking Associations (WTA) agreed to support if funds were dedicated to freight
- Nearly the total amount was dedicated to WSDOT projects
- Two FMSIB projects included

2004



- Legislature included 10 more FMSIB projects in supplemental budget
- A call for projects was issued to keep an active list of projects advancing



The Hedy Days

2006 - 2019

2005



- Legislature passed 9.5 cent gas tax (phased)
- For first time, FMSIB received \$12 million per biennium of dedicated funding:
 - \$6 million is 18th Amendment restricted (roads only) – Freight Mobility Investment Account (FMIA)
 - \$6 million is multimodal (roads or non-roads) – Freight Mobility Multimodal Account (FMMA)
 - FMSIB revenue “tied” to weight fee increase on trucking industry

FMSIB Funding Codified - 1996



- RCW 46.68.295 - Transfers \$3 million from the Transportation Partnership Account (gas tax) to the Freight Mobility Investment Account (FMIA) created in RCW 46.68.300. (\$6 million on 7/1/06 and \$3 million annually afterward).
- RCW 46.68.415 - Assigns \$3 million of motor vehicle weight fee and motor home vehicle weight fee to the Freight Mobility Multimodal Account (FMMA) created in RCW 46.68.310 (\$3 million annually starting 7/1/10)

FMSIB Accomplishments Through 2015



- 84 projects
- Leveraging \$1,775,353,885 in total project costs
- Using \$293,268,370 of FMSIB funding (approx. 16% FMSIB match)
- 42 unique sponsors, some receiving more than one grant

Connecting Washington Act – 2015 Plan



FMSIB New Law Appropriation Calculations 16-year Plan for \$123 million

Note: Identical fiscal plan allocations of \$61.5 m were made to both the FMIA and FMMA accounts

Note: OFM Plan provided by Erik Hansen, OFM 12/11/17

			CWA Plan - Cumulative		
Biennium	Amount	Comment	FMIA	FMMA	Total
15-17	\$ 1,922,000	Revenue startup - Partial biennium	\$ 1,922,000	\$ 1,922,000	\$ 3,844,000
17-19	\$ 8,511,000	OFM Plan	\$ 10,433,000	\$ 10,433,000	\$ 20,866,000
19-21	\$ 8,511,000	" "	\$ 18,944,000	\$ 18,944,000	\$ 37,888,000
21-23	\$ 8,511,000	" "	\$ 27,455,000	\$ 27,455,000	\$ 54,910,000
23-25	\$ 8,511,000	" "	\$ 35,966,000	\$ 35,966,000	\$ 71,932,000
25-27	\$ 8,511,000	" "	\$ 44,477,000	\$ 44,477,000	\$ 88,954,000
27-29	\$ 8,511,000	" "	\$ 52,988,000	\$ 52,988,000	\$ 105,976,000
29-31	\$ 8,511,000	" "	\$ 61,499,000	\$ 61,499,000	\$ 122,998,000
31-33	\$ 1,000	Balance of \$61,500,000	\$ 61,500,000	\$ 61,500,000	\$ 123,000,000
Total	\$ 61,500,000				

Dedicated FMSIB Funding – 2015 Connecting Washington Act (CWA)



- Connecting WA Act Funding (not codified):
 - Partial transfer starting 2015-17: \$1.922 m from CWA to FMIA
 - Partial year transfer starting 2015-17: \$1.922 m from CWA to FMMA
- ESHB 5096 (2017-19 Transportation Budget):
 - Biennial transfer starting 2017-19: \$8.511 m from CWA to FMIA
 - Biennial transfer starting 2017-19: \$8.511 m from CWA to FMMA
- ESSB 6106 (2018 Supplemental)
 - Retains \$8.511 m in FMIA and FMMA

FMSIB Accomplishments 2015 - 2019



- FMSIB revenues more than doubled, from \$12 million per biennium to \$29 million
- The Board conducted the two largest “Calls for Projects” in its history, one in 2016 and one in 2018.
- 17 projects
- Leveraging \$391,588,367 in total project costs.
- Using \$42,074,728 of FMSIB funding (approx. 11% FMSIB match)



The Dog Days

2019 to Present

Reduced FMSIB Funding and Prohibition on Call for Projects (2019)



- ESHB 1160 (19-21 Transportation Budget and 2019 Supplemental)
 - Reduces 2017-19 FMIA from \$8.511 m to \$1.255 m (\$7.255 m reduction)
 - Reduces 2017-19 FMMA from \$8.511 m to \$1.255 m (\$7.255 m reduction)
 - Retains 2019-21 FMIA and FMMA at CWA level of \$8.511 m
 - Funds FMSIB Operating Budget from the FMIA (Approx. \$800 k reduction)

- 2019 Budget Proviso:

TRANSPORTATION AGENCIES—CAPITAL

NEW SECTION. Sec. 301. FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

(2) Until directed by the legislature, the board may not initiate a new call for projects. By January 1, 2020, the board must report to the legislature on alternative proposals to revise its project award and obligation process, which result in lower reappropriations.

Reduced FMSIB Funding (2020)



- ESHB 1160 (19-21 Transportation Budget and 2019 Supplemental)
 - Reduces 2017-19 FMIA from \$8.511 m to \$1.255 m (\$7.255 m reduction)
 - Reduces 2017-19 FMMA from \$8.511 m to \$1.255 m (\$7.255 m reduction)
 - Retains 2019-21 FMIA and FMMA at CWA level of \$8.511 m
 - Funds FMSIB Operating Budget from the FMIA (Approx. \$800 k reduction)
- ESHB 2322 (2020 Supplemental)
 - Reduced CWA transfer to FMIA from \$8.511 m to \$8.070 m (\$441 k reduction)
 - Reduced CWA transfer to FMMA from \$8.511 m to zero (\$8.511 m reduction)
 - Transferred \$7.296 m from FMMA to MMA (\$7.296 m reduction). Offset by addition of \$4.907 m MVA appropriation authority.

Reduced FMSIB Funding (2021)



- SSB 5165 (21-23 Transportation Budget and 2021 Supplemental)
 - Reduced \$8.511 m transfer from CWA to FMIA \$5.511 m (\$3 m held in suspense over I-976 adjudication)
 - Reduced \$8.511 m transfer from CWA to FMMA to \$4.011 m (reduction of \$4.5 m)
 - Continues funding FMSIB Operating from the FMIA (another reduction of approx. \$800 k)

TOTAL REDUCTION (2019-21): \$34.951 m

Connecting Washington Act – Plan



FMSIB New Law Appropriation Calculations 16-year Plan for \$123 million

Note: Identical fiscal plan allocations of \$61.5 m were made to both the FMIA and FMMA accounts

Note: OFM Plan provided by Erik Hansen, OFM 12/11/17

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29-31	\$ 8,511,000	" "	\$ 61,499,000	\$ 61,499,000	\$ 122,998,000
31-33	\$ 1,000	Balance of \$61,500,000	\$ 61,500,000	\$ 61,500,000	\$ 123,000,000
Total	\$ 61,500,000				

Connecting Washington Act – Actual

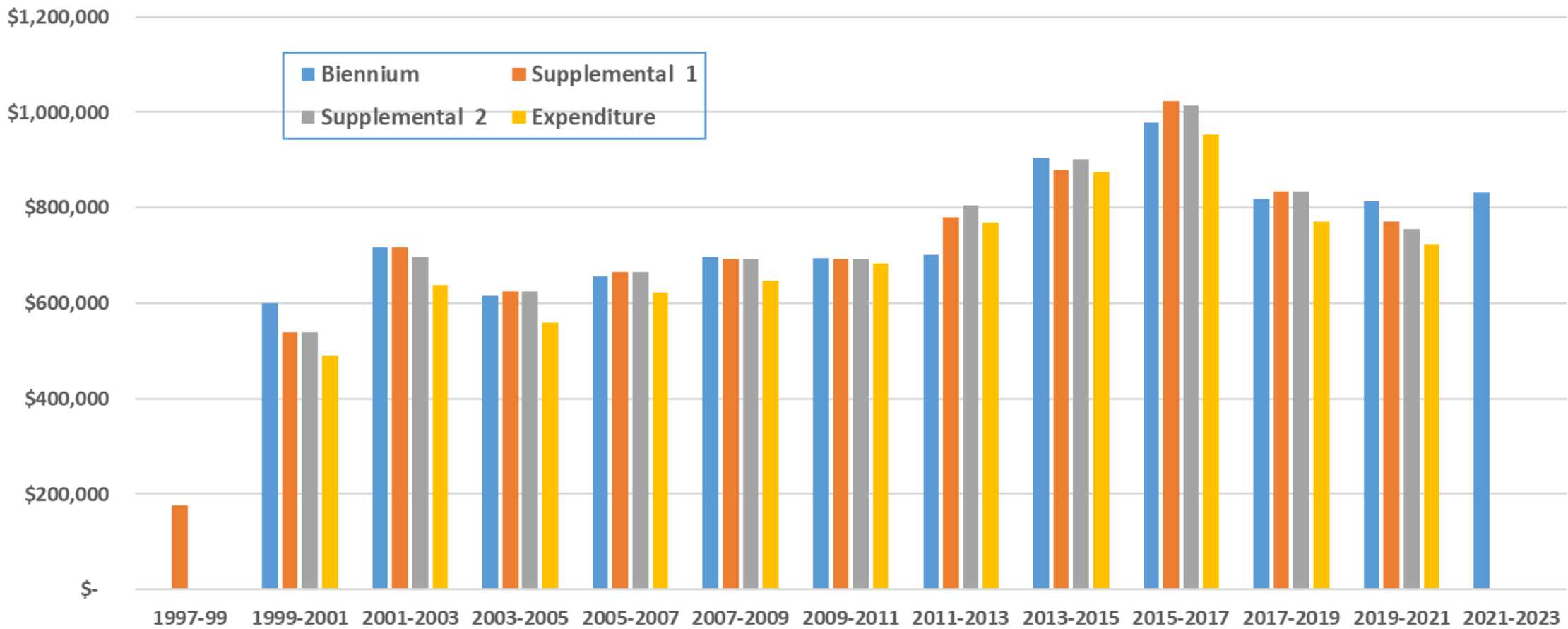


Biennium	BIENNIAL					CUMULATIVE				
	Actual Revenues			Actual vs. Plan	% Plan	Actual Revenues			Actual vs. Plan	% Plan
	FMIA	FMMA	Total			FMIA	FMMA	Total		
15-17	\$ 1,968,629	\$ 1,965,430	\$ 3,934,058	\$ 90,058	102%	\$ 1,968,629	\$ 1,965,430	\$ 3,934,058	\$ 90,058	102%
17-19	\$ 1,248,366	\$ 1,276,516	\$ 2,524,882	\$ (14,497,118)	15%	\$ 3,216,995	\$ 3,241,945	\$ 6,458,940	\$ (14,407,060)	31%
19-21	\$ 8,177,038	\$ (8,268,548)	\$ (91,510)	\$ (17,113,510)	-1%	\$ 11,394,033	\$ (5,026,602)	\$ 6,367,430	\$ (31,520,570)	17%
21-23										
23-25										
25-27										
27-29										
29-31										
31-33										

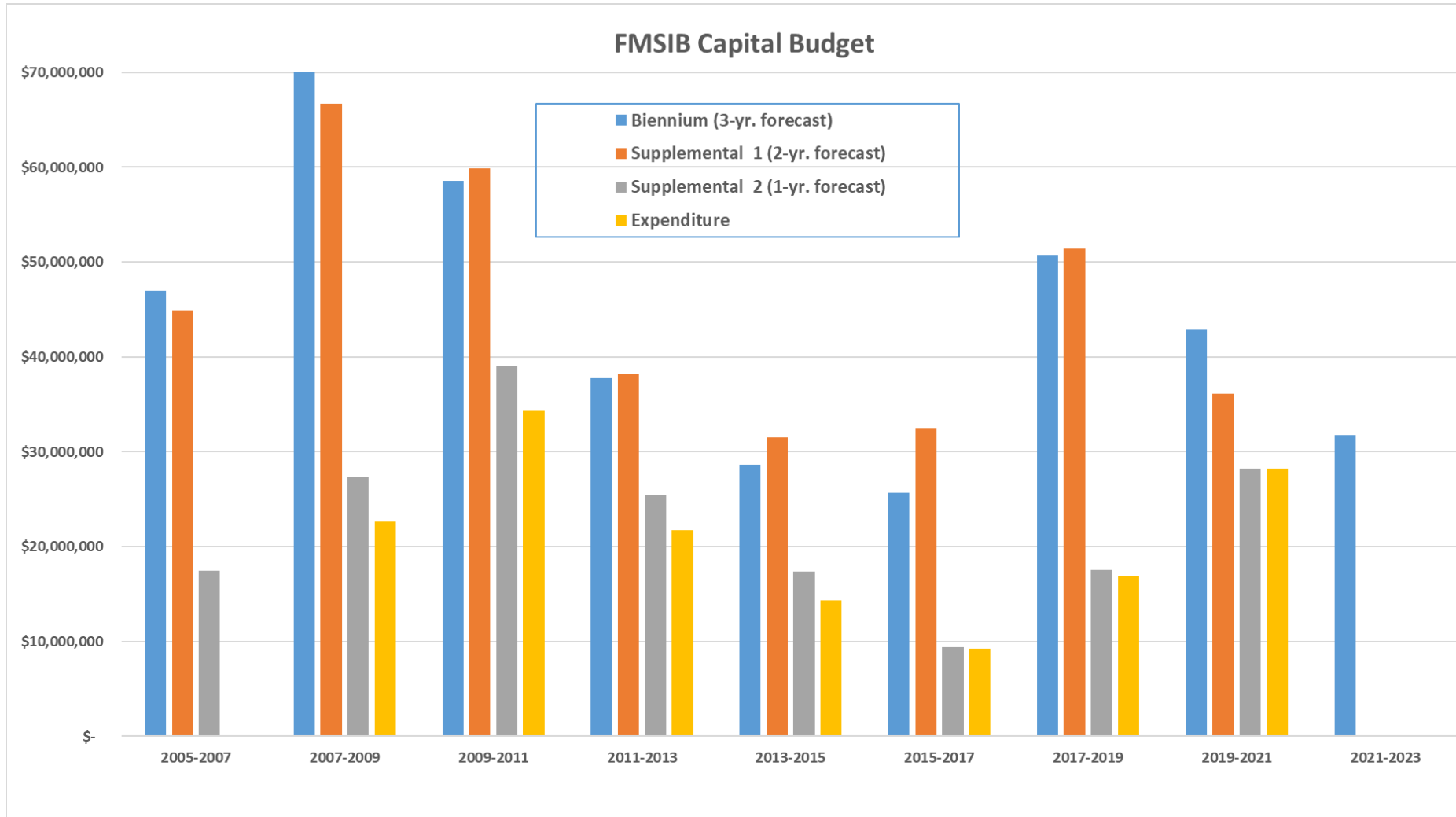
FMSIB Operating Budget History (Since the Beginning)



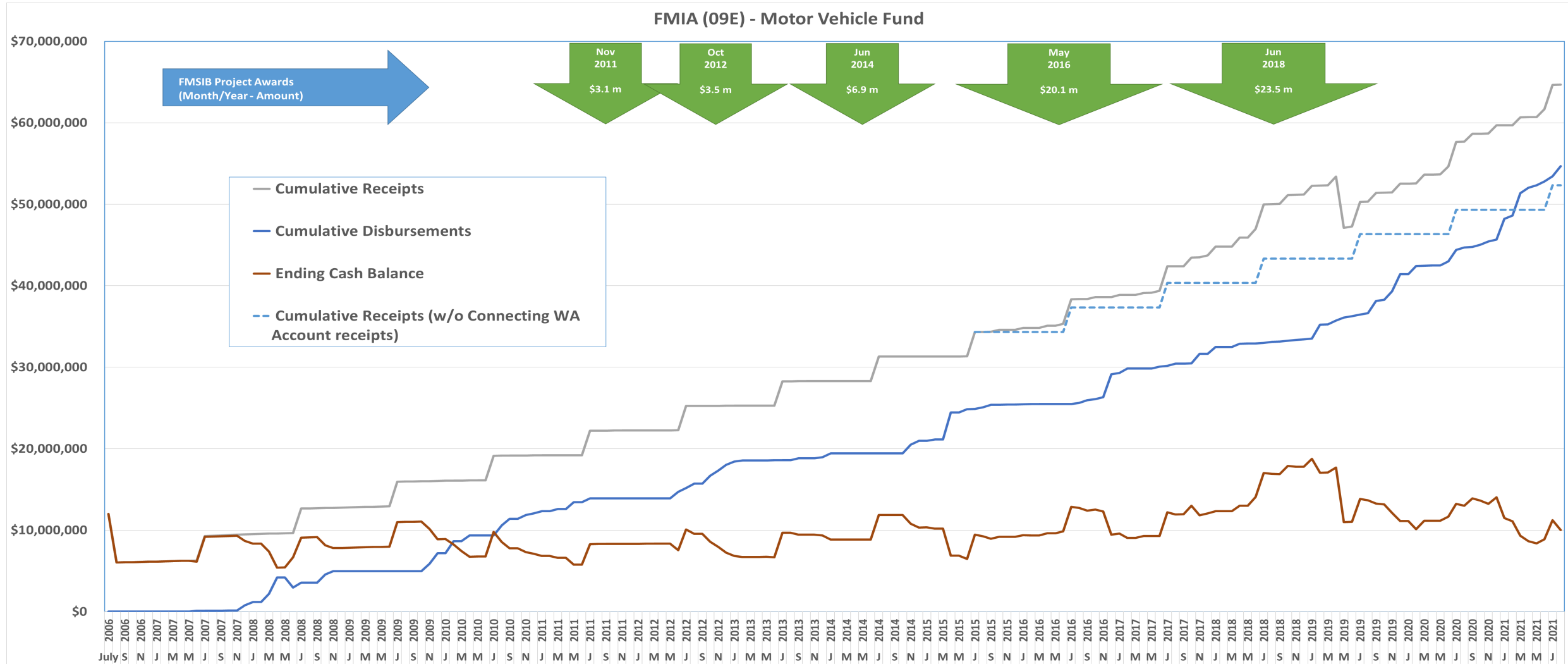
FMSIB Operating Budget



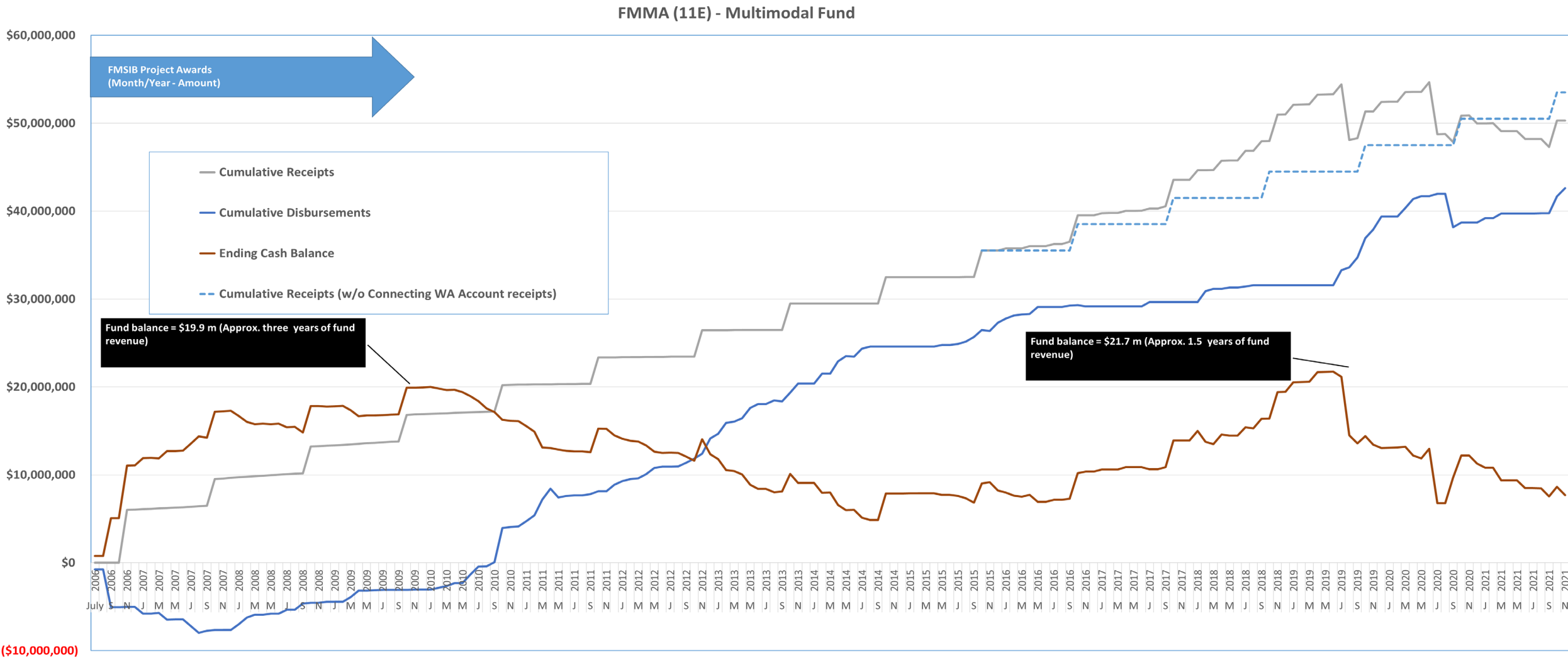
FMSIB Capital Budget (Since FMSIB Budget separated from WSDOT in 2005-07 biennium)



FMIA (2007 through August 2021)



FMMA (2007 through August 2021)



Fund Balance Charts - Observations



- While fund Receipts are consistent, Disbursements are quite irregular.
 - FMIA Disbursements come in large amounts (\$3 m to \$5 m at a time), with long periods (12 to 18 months) with less than \$1 m disbursed.
 - FMMA pattern similar though less pronounced
- From fund inception until 2016 (when the CWA Receipts began), FMIA Disbursements paralleled Receipts, leaving a consistent approx. \$10 m fund balance
- FMMA fund balance has exceeded \$20 m twice in the past, 2010 and early 2019
- Project awards have more than tripled since implementation of CWA.
- In 2019-21 biennium, FMIA and FMMA fund balances declined from over \$20 m to below \$10 m.



Future Days

2022 and beyond

Future Days (Fund Balance forecast through 2025)



<i>Biennium</i>	<i>Revenue (Actual/Forecasted)</i>		<i>Expenditure (Actual/Forecasted)</i>		<i>Ending Fund Balance (Actual/Forecasted)</i>	
	<i>FMIA</i>	<i>FMMA</i>	<i>FMIA</i>	<i>FMMA</i>	<i>FMIA</i>	<i>FMMA</i>
2017-19 (Actual)	\$ 7,901,819	\$ 7,749,457	\$ 6,180,637	\$ 5,054,566	\$ 11,019,552	\$ 13,209,665
2019-21 (Actual)	\$ 14,391,740	\$ (989,649)	\$ 16,530,522	\$ 5,045,585	\$ 8,880,770	\$ 7,541,695
2021-23 (Forecast)	\$ 14,500,000	\$ 14,500,000	\$ 17,190,000	\$ 18,958,000	\$ 6,190,770	\$ 3,083,695
2023-25 (Forecast)	\$ 14,500,000	\$ 14,500,000	\$ 13,600,000	\$ 14,400,000	\$ 7,090,770	\$ 3,183,695
Assumes "Future Awards" are allowed						

Observation: While total revenue more than doubled after CWA passed, current and future fund balances are decreasing



Questions?

Transportation Committee Leaders' Biographies

In preparation for the Transportation Leadership discussion panel at our January 14 board meeting, below are the links to their biographies:

House Transportation Committee

Representative Jake Fey, Chair: <https://www.jakefey.com/about-jake>

Representative Andrew Barkis: <https://andrewbarkis.housepublicans.wa.gov/about/>

Senate Transportation Committee

Senator Marko Liias, Chair: <https://senatedemocrats.wa.gov/liias/biography/>

Senator Curtis King: [About Curtis - Curtis King \(wastateleg.org\)](#)