



Freight Rail Investment Bank Program Project List

Introduction

The Washington State Legislature authorized the Washington State Department of Transportation in ESHB 1175, Section 309, Chapter 367, Laws of 2011, to provide loans for the Freight Rail Investment Bank Program.

By November 1, 2011, WSDOT is required to submit a prioritized list of recommended projects to the Office of Financial Management and the transportation committees of the legislature.

WSDOT issued a “Call for Projects” August 17, 2010, based on recent legislative priorities. Proposal submittals were due back to WSDOT on September 16, 2011. WSDOT received three proposals for consideration.

Verification of project milestone dates was predicated on project funds being made available on July 1, 2012. If funds are not available until a later date, project milestone dates will need to be adjusted. The scoring was based upon the benefit/cost element of the *Freight Rail Project Priorities* report and scoring matrix sent out in the application pack.

Each request was scored in 10 different categories by group of five WSDOT Rail Office staff members.

Scoring Criteria Element
Economic development benefits (25 points)
Viability (15 points)
Financial and or in-kind participation (10 points)
Safety improvements (10 points)
Preservation of corridor (10 points)
Geographic balance (10)
Delay reduced on statewide railroad system (5 points)
Reduction in Greenhouse Gases (5 points)
Reduced road impacts (5 points)
Environmental benefits (5 points)



Due to the nature (repair and rail expansion) of the proposed projects, which effectively removes a large amount of trucks off the State highways and roads, but may not generate benefits in other categories, projects may have only received minimal or no points at all in many of these categories.

WSDOT completed a verification of the facts provided as they related to the number and location of shippers, together with their carloads moved. A number of additional issues were examined including:

- Any risks to the project completion from environmental impacts (these have been noted on the details of the projects where applicable).
- Any risks to costs due to the estimates provided not being sound or not allowing enough for cost increases due to inflation or any other factor.

All three project applications came from very financially stable public organizations. Thus, all three are recommended for funding based upon the benefits exceeding costs and the fact the each entity appears to have the ability to repay the loans, if offered.

Master List

Name of Applicant	Score	Ranking	Cost Benefit	Amount
Port of Longview Rail Loop	38	1	14	\$857,664
Tacoma Rail East 11st Grade Crossing	22	2	20	\$354,542
Tacoma Rail Yard Track Rail Relay	13	3	6	\$454,923
Total				\$1,667,129

All three requests have more than a 1.0 cost benefit ratio. Thus, are fundable under the loan eligibility requirements of the program.

WSDOT administrative costs are not charged to these loans per the proviso:

“The department shall issue freight rail investment bank program loans with a repayment period of no more than ten years, and only so much interest as is necessary to recoup the department's costs to administer the loans.”



Port of Longview Rail Loop

Ranking: 1

Final Score: 38

Project Description

The construction and installation of one new turnout and 2,700 feet of 136 lb. rail track.

Then new track will connect to the existing Port rail system creating a second loop track capable of accommodating 110 rail car unit trains from the BNSF and UP mainline into and out of the Port’s water front and West Industrial Park properties. The Port’s rail system provides a lead rail to the mainline track that is unimpeded by at-grade crossings. The proposed project will be a loop track connection providing the final link for completion of a second loop track.

Proposed Funding

Funds for the project

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Local – Other	Port	Cash and In-kind	\$171,536	20%
Railroad				
WSDOT	Public	Cash	\$857,664	80%
Federal Funds	Public			
Other				
Total			\$1,029,200	100%

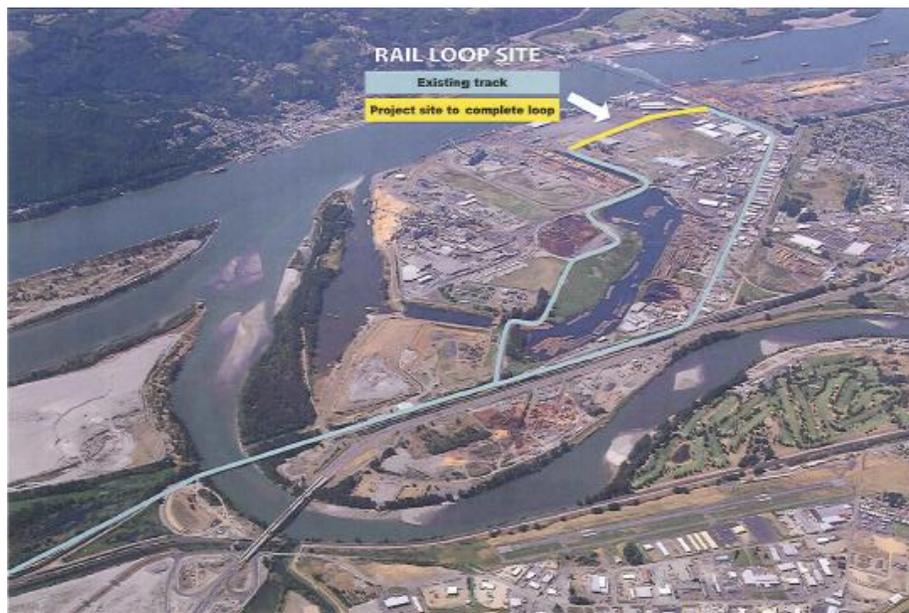
Summary of Analysis and Recommendation:

- This is the final phase of the Port’s rail system that will provide improved access to the marine terminal and industrial customers. The final link is a continuation of the Port’s Industrial Corridor. This new loop will provide the Port with the ability to handle trains that have heavy oversized cargos that also need storage staging areas near the shipping berths. Examples of this type of equipment are wind energy



components and other heavy lift machinery. This loop will enable the cargo to move from the Port directly to the mainline with mainline locomotive power.

- This completed loop will enable better productivity of the rail system by accommodating full unit trains (1.5 miles in length). This project will substantially reduce the current limitations that require some cargo types to be delivered only by truck. Examples of these cargos are wind energy projects which include blades, towers and turbines that are heavy elongated loads that should not be on our highways due to safety hazards and instead moved by rail.
- This project will allow the creation of higher paying family wage jobs for Longview and the surrounding community. This region is denoted as an economically depressed area with declining per capital income. The completion of this project is projected to add 10-15 high paying longshore jobs to the Port labor force.
- The loop will serve current tenants, and will allow the addition of a second work shift at one of the tenant's facilities, an estimated 3.5 years earlier than originally projected due to the increase rail deliveries that the new loop will enable.
- This loop will enable the Port to expand into new cargo types, which cannot currently be served due to the lack of the ability to handle a full unit train near the dock.
- This loop track will also create an alternative rail access and rail storage area for unit train when needed, providing additional capacity for the BNSF main line and the Longview switching yard.



- This project is recommended for funding.



Tacoma Rail East 11th Street Grade Crossing

Ranking: 2

Final Score: 22

Project Description

The project will remove the deteriorated asphalt grade crossing installed at East 11th Street near Milwaukie Way (USDOT #932-767M) in Tacoma, WA, and replace the grade crossing with new 115 lb. rail and a concrete panel crossing system. The new concrete panel system will better accommodate heavy truck loads anticipated to be generated by the various planned Port of Tacoma terminal developments and will enable future spot maintenance to the crossing.

Proposed Funding

Funding Source	Public or Private	Cash or In Kind	Amount	Percentage
Local – Port/Rail District				
Local – Other				
Railroad	Public	Cash	\$88,632.85	20%
WSDOT	Public	Cash	\$354,542.00	80%
Federal Funds	Public			
Other				
Total			\$443,156.85	100%

Summary of Analysis and Recommendation:

- The upgrades are needed at this deteriorated at-grade crossing which sits on the busy 11th St Corridor and serves two of the port’s international terminals, a break bulk facility and the supporting intermodal yard.
- This crossing will be upgraded with 115 lb. rail and a concrete panel crossing system at this heavily-used crossing. This will decrease the risk of derailments that can close



down the rail tracks from Bullfrog Junction to the North Intermodal Yard. It is estimated that a derailment at this location costs \$502,000 per day.

- The materials to be used in this upgrade are anticipated to reduce maintenance costs by a minimal amount in the first 3-5 years and then increase with only a modest escalation rate thereafter for routine cross tie replacement and track resurfacing correlating with annual cumulative tonnage over the tracks.
- This crossing handles daily heavy truck hauls because it is near the entrance of the Port of Tacoma's Break Bulk terminal. This project will improve the ability of the crossing to handle these over-sized permitted project cargos.
- This project is recommended for funding.





Tacoma Rail Yard Track Rail Relay

Ranking: 3

Final Score: 13

Project Description

The project proposes to remove old worn 85 lb. rail manufactured between 1906 and 1908 and replace it with new 115 lb. rail, thirty-percent cross-tie replacement and resurfacing the tracks. The rail relay and tie replacement will upgrade the track capacities to safely accommodate 286,000 pound rail cars and preserve Tacoma Rail’s ability to serve Port of Tacoma area freight rail customers.

Proposed Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Local – Port/Rail District	----			
Local - Other				
Railroad	Public	Cash	\$ 90,985.21	20%
WSDOT	Public	Cash	\$ 363,938.00	80%
Federal Funds	Public			
Other				
Total			\$ 454,923.21	100%

Summary of Analysis and Recommendation:

- This project is an improvement to Tacoma Rail’s classification yard where rail cars are sorted and placed for delivery to customers or the main line railroads. This rail relay and tie replacement project will upgrade the track capacities to safely accommodate 286,000 pound rail cars and will assist in Tacoma Rail’s ability to continue to serve the Port of Tacoma area freight rail customers.
- These requested funds will replace old rail and ties that have passed their useful life. These replacements will reduce the risk of work stoppage due to derailments



estimated to currently happen an average of once per year. It is estimated that a derailment costs \$268,000 per day in this yard.

- Replacing outdated track gauge with higher-gauge track to safely accommodate the 286,000 lb. rail cars which are today's industry standard.
- The improvements will reduce the likelihood of system interruptions due to derailments or tracks being removed from service to correct defects.
- This project is not anticipated to create additional jobs nor reduce any Greenhouse gasses.
- It is recommended that this project be funded.

