



Freight Rail Assistance Program Project List

Introduction

The Washington State Legislature authorized the Washington State Department of Transportation (WSDOT), under ESHB 2190, Section 309 (2)(a), to provide grants or loans for the Freight Rail Assistance Program. Both the number of applications and the total amount requested amount from the program has increased: WSDOT received 22 applications requesting nearly \$15.8 million in funding in 2013-15. This is the second biennium that the grant program was open to the private sector, and nine of the 22 applications were from the private sector.

WSDOT issued a 'Call for Projects' based on legislative priorities in June 2012. Proposal submittals were due back to WSDOT on September 14, 2012. By November 1, 2012, WSDOT is required to submit a prioritized list of recommended projects to the Office of Financial Management and the Transportation Committees of the Legislature. Verification of project milestone dates is predicated on project funds being made available on July 1, 2013. If funds are not available until a later date, project milestone dates will need to be adjusted.

The WSDOT Rail and Freight Systems Divisions jointly ranked the proposals. They used the benefit/cost element of the "Freight Rail Project Priorities" report submitted to the Legislature on September 1, 2008 along with the scoring matrix sent out in the application package to evaluate the benefit/cost of each proposal. To document the proposals' ability to provide economic benefits, WSDOT verified the number and location of shippers and their current carloads moved. WSDOT also examined additional issues including:

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

In addition to the benefit/cost analysis applicants were judged on their ability to successfully manage schedule, scope and budget for their proposed project.

WSDOT isn't able to recommend funding several of the projects that scored well, as there was a strong group of proposals from a high number of applicants and limited funding available. WSDOT recommends that those public sector projects be funded from the State Rail Investment Bank where there are funds remaining. Applicants will be urged to consider this alternate funding option.

WSDOT received seven project proposals that were either missing information to complete a positive benefit-cost analysis or they were not feasible due to scope, schedule or budget



considerations. These projects are not recommended for funding in the Freight Rail Assistance Program.



Prioritized Project List:

Master List

Name of Applicant	Score	Ranking	Amount
Port of Walla Walla	72	1	\$750,000
Clark County	70	2	\$674,780
Co-Ag	68	3	\$340,740
Maytown Sand & Gravel LLC	66	4	\$984,480*
Lincoln County Economic Development	65	5	\$0 (see note A)
Cascade and Columbia River Railroad	57	6	\$0
Mount Vernon Terminal Railway	51	7	\$0
PacifiClean Environmental	46	8	\$0
Puget Sound & Pacific	43	9	\$0 (see note B)
Columbia Basin Railroad	42	10	\$0
Port of Royal Slope	41	11	\$0 (see note A)
Tacoma Rail – Yard Tracks 8&9	39	12	\$0 (see note A)
Tacoma Rail – Taylor Way Track Rehab	29	13=	\$0 (see note A)
Tacoma Rail – West Loop Track	29	13=	\$0 (see note A)
Tacoma Rail – East Loop Track	25	15	\$0 (see note A)
City of Richland			\$0 (see note C)
Port of Columbia			\$0 (see note C)
Port of Seattle			\$0 (see note C)
Lake Whatcom Railway			\$0 (see note C)
Skagit County			\$0 (see note C)
City of Kent			\$0 (see note C)
Tri Pak			\$0 (see note C)
Total			\$2,750,000

* This project funded for less than the requested amount; applicants to confirm that project can be completed for this amount.

Numbers shown with an = sign following indicates they tied in the ranking.

Note A – These projects would qualify for a loan under the Freight Rail Investment Bank as funds remain in that program.

Note B - These projects did not pass the benefit/cost requirement and therefore disqualified.



Note C – Projects not recommended due to inadequate data detailing benefits or project scope, schedule and budget.



Port of Walla Walla

Ranking: 1

Final Score: 72

Project Description

The project proposal is to build or relocate 3 tracks totaling 6,403 feet in conjunction with the existing Railex loop track. The proposal is in conjunction with the development of a new Railex receiving facility being built in Florida. Also, this added infrastructure is expected to support the development of a new \$20 million wine transload warehouse currently under construction.

Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Local – Port	Public	Cash	\$1,200,000	53%
WSDOT	Public	Cash	\$750,000	35%
Local Economic Development Sales Tax Fund	Public	Case	\$200,000	12%
Total			\$2,150,000	100%

Summary of Analysis and Recommendation:

- The benefit-cost ratio is in excess of 2 to 1.
- The new facility will support an increase of 5,700 railcar shipments in its first year of operation.
- This is part of a multi-phased to support growth at the Railex Terminal.



Clark County – Vancouver to Barberton Rail Improvements

Ranking: 2

Final Score: 70

Project Description

The project proposal is to replace 3600’ of 66# and 85# rail with 115# rail and replace 1000 cross ties. The project will also add ballast, surface and dress, replace a switch and improve a road crossing. The majority of the improvements will occur in the first 6.5 miles of the branch, the section with the heaviest traffic. Significant portion of the line will be unmaintainable in 5 years due to lack of replacement components for such small rail. Several new businesses expected to locate on the line over the next couple years would more than double current revenue carloads.

Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Local – Clark County	Public	Cash and In-Kind	\$60,000	7.8%
Railroad – PVJR	Private	Cash	\$10,000	1.3%
WSDOT	Public	Cash	\$674,780	88.2%
Other – WUTC	Public	Cash	\$20,000	2.6%
Total			\$764,780	100.0%

Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of 2 to 1.
- This portion of the rail line supports all of the shipments for the entire rail line. It is in such poor condition that it will be unusable within five years without substantial work.
- A copper/molybdenum mining operation is proposed to begin operation during 2013 which will double carloads on the rail line.
- The scope of this project could be reduced in order accommodate a reduction in total amount awarded.



Cooperative Agricultural Producers, Inc. (Co-Ag)

Ranking: 3

Final Score: 68

Project Description

The project scope is to repair grain facility loading tracks at three locations: Spangle, WA, Oakesdale, WA and Fairfield, WA.

Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Co-Ag	Private	Cash	\$70,013	17%
WSDOT	Public	Cash	\$340,740	83%
Total			\$410,753	100.0%

Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of 2 to 1.
- The rail tracks adjacent to the rail loading facilities are in disrepair and are hazardous. Rather than repair the rail track adjacent to these facilities they would simply switch to moving all shipments by truck and truck/barge in order to reach market.
- Each facility provides competitive access to different mainline railroads. Both Spangle and Oakesdale railcars are interchanged to the BNSF at Marshall, WA. The Fairfield facility provides direct access to Union Pacific. Keeping all three sites viable help Co-Ag remain competitive.



Maytown Sand & Gravel LLC

Ranking: 4

Final Score: 66

Project Description

Maytown Sand and Gravel has acquired property from the Port of Tacoma and has commenced aggregate mining operations on the site. The site has approximately 37 million tons of aggregate available to be mined. Currently all of the aggregate is being shipped from the site in truckload quantity. Maytown has proposed extending an existing siding track by 1,350 feet which would allow it to accommodate up to a 25-car train on the track. The project also includes the purchase of a mobile railcar unloading system to enable unloading at the Port of Tacoma and other locations/customers as required.

Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Maytown Sand & Gravel LLC	Private	Cash	\$104,000	9%
WSDOT	Public	Cash	\$1,021,689	91%
Total*			1,125,689	100%

Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of 2 to 1.
- The project is expected to remove 45,164 truck trips from Washington roadways by 2022.
- New rail service to support Maytown’s plan to move from shipping by truck to rail will return a portion of Tacoma Rail’s Mountain Division to regular service. This project creates viability for a formerly unused portion of rail line.
- During conversations with Maytown Sand & Gravel they disclosed that the project would have an economic benefit even if they were required to provide matching funds up to 25% of the cost of the project. This suggests that the project could be completed with a grant amount as low as \$844,267.



Lincoln County

Ranking: 5

Final Score: 65

Project Description

Lincoln County proposes partnering with the Eastern Washington Gateway Railroad and requests grant funding to surface, line and dress 26.4 miles of the Central Washington (CW Line) of the PCC Rail System. The grant would also perform rail joint rehabilitation and enable application of 14,000 tons of ballast along the rail line. Neither Lincoln County nor Eastern Washington Gateway has provided matching funds for this project. Eastern Washington Gateway would be able to leverage funds it will provide as part of its contractual obligations.

Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Local – Other	----	----	----	----
Railroad	----	----	----	----
WSDOT	Public	Cash	\$0	0%
Unfunded	Public	Cash	\$1,162,239	100%
Total			\$1,162,239	100%

Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of 2 to 1.
- The project will support past and future state funding on the PCC Rail System. Project supports goal of safe, 25 mile-per-hour operation of the entire CW Line. This project will increase the percentage of 25 mph operation on the CW Line by 25%
- While the entire project is necessary, the project scope could be altered in the event that the project is only partially funded.



Columbia and Cascade Railroad

Ranking: 6

Final Score: 57

Project Description

Columbia and Cascade requests funds to replace ties and resurface the mainline from milepost 96 through milepost 103. The project would replace 5,000 ties and enable new ballast to be applied to the tracks.

Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Railroad - Cascade and Columbia River RR	Private	Cash	\$48,221.85	10%
WSDOT	Public	Cash	\$0	0%
Unfunded	Public	Cash	\$433,996.65	90%
Total			\$482,218.50	100%

Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of 2 to 1.
- The CSCD id a distressed rail asset. Shipments on the railroad have suffered during the recent recession going from 6,456 in 2007 to 3,786 in 2011. This funding will provide much needed preservation maintenance to the asset.
- The railroad provides the only rail service to the north central region of the state. If rail serviced ceased use of the line all shipments would transfer to truck or shippers would need to relocate.
- The scope of this project could be changed to facilitate partial funding.



Mount Vernon Terminal Railway

Ranking: 7

Final Score: 51

Project Description

The project scope is to expand the current size of the rail yard by purchasing adjacent land and building additional rail storage and transfer capacity.

Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Mount Vernon Terminal Railway	Private	In-Kind	\$75,000	3.2%
WSDOT	Public	Cash	\$0	0%
Washington State Dept of Commerce	Public	Cash	\$500,000	21.1%
Whole Energy Fuels	Private	Cash & In-Kind	\$500,000	21.1%
Unfunded	Public	Cash	\$1,294,000	54.6%
Total			\$2,369,000	100%

Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of 2 to 1.
- Transfer facility is designed to reduce long-distance truck shipments by enabling companies not physically located along a rail track to gain the economic benefits of shipping by rail.
- It is not certain that the project can be completed if it is funded: the majority of funds requested are for right-of-way acquisition. Applicant has not yet negotiated for adjacent property.
- The site expansion would allow Mount Vernon Terminal Railway to handle 800 additional railcars per year. This represent a reduction of 2,400 truck trips per year that are traveling by rail.



PacifiClean Environmental

Ranking: 8

Final Score: 46

Project Description

PacifiClean intends to build a transload facility adjacent to the Geiger Spur, which is located near Airway Heights, WA. The site would be within miles of Fairchild Air Force Base and Spokane International Airport.

Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
PacifiClean Environmental	Private	Cash	\$2,010,000	47%
WSDOT	Public	Cash	\$0	0%
CERB – not yet funded	Public	Cash	\$1,000,000	24%
Unfunded	Public	Cash	\$1,250,000	29%
Total			\$4,260,000	100%

Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of 2 to 1.
- The project is located along the CW Line of the PCC Rail System. This project would support carload growth of the state-owned rail asset.
- PacifiClean Environmental has provided cash matching funds of 47% of the total cost of this project.



Puget Sound & Pacific (PSAP)

Ranking: 9

Final Score: 43

Project Description:

The project proposes repairs and improvements to the bridge located over the Wishkah River, located in Aberdeen, WA. The improvements will enable PSAP to remove the permanent 5 mile-per-hour slow order over the bridge and increase the speed limit to at least 10 mile-per-hour. The increased speed limit will in turn decrease congestion and increase safety of automobiles entering and exiting the Olympic Gateway Plaza shopping center in Aberdeen.

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Puget Sound & Pacific	Private	Cash	\$109,400	10%
WSDOT	Public	Cash	\$	0%
Unfunded			\$984,600	90%
Total			\$1,094,000	100%

Summary of Analysis and Recommendation:

- The benefit cost ratio is not in excess of one and it is therefore ineligible.
- PSAP has seen 22% revenue carload growth over the past two years and confidence that the PSAP will not have a significant outage due to a failure of the Wishkah River bridge in important to continuing to attract business at the Port of Grays Harbor.
- Concern that PSAP has done work to procure necessary permits is in questions. Current scope does not include any in-water work.
- Grays Harbor County is considered economically distressed.



Columbia Basin Railroad (CBRR)

Ranking: 10

Final Score: 42

Project Description

The CBRR proposes to replace worn and obsolete rail with 100 pound rail on approximately 1 mile of track.

Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Columbia Basin Railroad	Private	Cash	\$177,195	41%
WSDOT	Public	Cash	\$0	0%
Unfunded request	----	----	\$250,000	59%
Total Project cost			\$427,195	100%

Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of 2 to 1.
- The grant would allow the CBRR to safely operate on the rail line at increased speeds.
- The CBRR provides the only rail service to the Port of Moses Lake. Without the rail line all shipments in the region would be shipped by truck. The rail line is an important asset to the region.



Port of Royal Slope

Ranking: 11

Final Score: 41

Project Description

Port of Royal Slope has submitted a Freight Rail Assistant Application to return the Royal Slope Railroad to operation.

Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
WSDOT	Public	Cash	\$0	0%
Unfunded	Public	Cash	\$1,164,499	100%
Total			\$1,164,499	100%

Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of 2 to1.
- The Royal Slope Railroad has not been operational in many years. As a result, it is difficult to determine interest and capability of potential shippers. Benefit cost analysis used several assumptions in order to score this project.
- WSDOT currently working to identify cost associated to repairing a washout that was caused by an adjacent land owner. WSDOT will then identify if there is enough evidence to support recovery of damages. This washout could raise costs of returning the Royal Slope Railroad beyond the amount requested in this application.



Tacoma Rail – Yard Tracks 8 & 9

Ranking: 12

Final Score: 39

Project Description:

This project will replace 85-pound rail with 115-pound rail making up Tacoma Yard tracks 8 & 9. In addition this project will replace 30% of the cross ties on these two tracks. The goal to enable these two yard tracks to be able to handle 286,000 pound rail equipment.

Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Tacoma Rail	Public	Cash/In-Kind	\$280,807	25%
WSDOT	Public	Cash	\$0	0%
WSDOT – Freight Rail Investment Bank	Public	Cash – loan	\$383,227	35%
Unfunded portion*	----	----	440,000	40%
Total			\$1,104,034	100%

Summary of Analysis and Recommendation:

- The benefit cost ratio in in excess of 2 to 1.
- This project would increase safety by reducing the potential of a derailment occurring on track 8 or 9.
- The project will increase capability by ensuring Tacoma Rail has capability to handle 286,000 pound rail equipment on tracks 8 and 9.
- If funding is not available in the Freight Rail Assistance Program Tacoma Rail has requested that the funding request be shifted to the Freight Rail Investment Bank program.



Tacoma Rail – Taylor Way Track Rehabilitation

Ranking: 13=

Final Score: 29

Project Description:

This project will replace 72-pound and 90-pound rail with 115-pound rail making up the Taylor Way tracks. In addition to replacing rail on all 2,450 feet of track the right-of-way will be expanded a total of 1,400 feet.

Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Tacoma Rail	Public	Cash/In-Kind	\$276,269	20%
WSDOT	Public	Cash	\$0	0%
WSDOT – Freight Rail Investment Bank	Public	Cash – loan	\$505,074	37%
Unfunded portion*	----	----	\$600,000	43%
Total			\$1,381,343	100%

Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of 2 to 1.
- This project would increase safety by reducing the potential of a derailment occurring on the Taylor Way track.
- The project will increase capability by ensuring Tacoma Rail has capability to handle unit trains.
- If funding is not available in the Freight Rail Assistance Program Tacoma Rail has requested that the funding request be shifted to the Freight Rail Investment Bank program.



Tacoma Rail – West Loop Track

Ranking: 13=

Final Score: 29

Project Description

This project will replace 90-pound rail with 115-pound rail making up Tacoma Yard West Loop track. The project will replace 30% of cross ties and also encapsulate 370 feet of track within asphalt in order to ensure the facility can handle heavy loads up to 286,000 pounds.

Funding Source	Public or Private	Cash or In-Kind	Amount	%
WSDOT	Public	Cash	\$0	0%
Tacoma Rail	Public	Cash/In Kind	\$128,947	20%
Unfunded	Public	Cash	\$265,789	41%
WSDOT – Freight Rail Investment Bank	Public	Cash – loan	\$250,000	39%
Total			\$644,736	100%

Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of 2 to 1.
- This project would increase safety by reducing the potential of a derailment occurring on the West Loop track.
- The project will increase capability by ensuring Tacoma Rail has capability to handle unit trains.
- If funding is not available in the Freight Rail Assistance Program Tacoma Rail has requested that the funding request be shifted to the Freight Rail Investment Bank program.



Tacoma Rail – East Loop Track

Ranking: 14

Final Score: 25

Project Description

This project will replace 72-pound and 90-pound rail with 115-pound rail making up Tacoma Yard East Loop track. In addition this project will expand the existing right-of-way which will enable operational flexibility and efficiency.

Funding Source	Public or Private	Cash or In-Kind	Amount	%
WSDOT	Public	Cash	\$0	0%
Tacoma Rail	Public	Cash/In Kind	\$193,268	20%
Unfunded	Public	Cash	\$523,070	54%
WSDOT – Freight Rail Investment Bank	Public	Cash – loan	\$250,000	26%
Total			\$966,338	100%

Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of 2 to 1.
- This project would increase safety by reducing the potential of a derailment occurring on the West Loop track.
- The project will increase capability by ensuring Tacoma Rail has capability to handle unit trains.
- If funding is not available in the Freight Rail Assistance Program Tacoma Rail has requested that the funding request be shifted to the Freight Rail Investment Bank program.



City of Richland

Ranking: not recommended

Final Score:

Project Description

This project proposes to build a 2,850-foot siding in support of a proposed warehouse at the Horn Rapids Industrial Park. This Phase 1 of a two-phased project that would ultimately include construction of a loop track in order to support unit train operations.

Funding Source	Public or Private	Cash or In-Kind	Amount	%
WSDOT	Public	Cash	\$0	0%
City of Richland	Public	Cash/In Kind	\$100,000	12.3%
Unfunded	Public	Cash	\$709,000	87.7%
Total			\$809,000	100%

Summary of Analysis and Recommendation:

- The benefit cost ratio is not in excess of one and it is therefore ineligible.
- The project scope has not provided enough detail to demonstrate how this project benefits past Freight Rail Assistance Program projects.



Port of Columbia

Ranking: not recommended

Final Score:

Project Description

This project would provide rehabilitation funding for 20 miles of the South Subdivision of the Palouse River & Coulee City Railway. The port proposes replacing 800 to 900 cross ties per mile and applying 400 to 500 tons of ballast rock per mile.

Funding Source	Public or Private	Cash or In-Kind	Amount	%
WSDOT	Public	Cash	\$0	0%
Watco	Private	Cash	\$18,293	4%
Unfunded	Public	Cash	\$445,641	96%
Total			\$463,934	100%

Summary of Analysis and Recommendation:

- The benefit cost ratio is not in excess of one and it is therefore ineligible.
- The project did not support significant carload growth or demonstrate viability concerns in the absence of funding.



Port of Seattle

Ranking: not recommended

Final Score:

Project Description

The Port of Seattle proposes Phase II of the East Marginal Way Grade Separation project. The project would focus on bridge pillar relocation to support relocation of railroad tracks beneath East Marginal Way. This would enable separate road and rail beneath the bridge.

Funding Source	Public or Private	Cash or In-Kind	Amount	%
WSDOT	Public	Cash	\$0	0%
Port of Seattle	Public	Cash	\$780,000	61%
Unfunded	Public	Cash	\$500,000	39%
Total			\$1,280,000	100%

Summary of Analysis and Recommendation:

- The scope and budget of this project were determined to be inadequate for successful project completion.
- The project lacked key support from stakeholders.



Lake Whatcom Railway

Ranking: not recommended

Final Score:

Project Description

Lake Whatcom Railway proposes to reinstall a portion of the railroad that had been removed due to a right-of-way ownership dispute.

Funding Source	Public or Private	Cash or In-Kind	Amount	%
WSDOT	Public	Cash	\$0	0%
Lake Whatcom Railway	Private	Cash	\$50,000	6%
Unfunded	Public	Cash	\$757,140	94%
Total			\$807,140	100%

Summary of Analysis and Recommendation:

- The benefit cost ratio is not in excess of one and it is therefore ineligible.
- The project application did not support its grant request with anticipated business growth or necessary stakeholder support.



Skagit County

Ranking: not recommended

Final Score:

Project Description

This project proposes to replace the SR 99 bridge over Burlington Northern Santa Fe Railway (BNSF) tracks north of Burlington, WA.

Funding Source	Public or Private	Cash or In-Kind	Amount	%
WSDOT	Public	Cash	\$0	0%
Skagit County – 20% BRAC match	Public	Cash	\$1,869,075	13.2%
Federal Funds – BRAC	Public	Cash	\$11,307,680	80.0%
Unfunded	Public	Cash	\$961,595	6.8%
Total			\$14,138,350	100%

Summary of Analysis and Recommendation:

- The benefit cost ratio is not in excess of one and it is therefore ineligible.
- BNSF Railway is not supportive of this project due to disagreement with project design and scope.



Tri Pak

Ranking: not recommended

Final Score:

Project Description

The project looks to expand Tri Pak's transloading business near the Port of Tacoma.

Funding Source	Public or Private	Cash or In-Kind	Amount	%
WSDOT	Public	Cash	\$0	0%
Unfunded	Public	Cash	\$350,000	100%
Total			\$350,000	100%

Summary of Analysis and Recommendation:

- The benefit cost ratio is not in excess of one and it is therefore ineligible.
- Scope, schedule and budget were inadequate to determine ultimate success of this project.



City of Kent

Ranking: not recommended

Final Score:

Project Description

This project proposes creating quiet zones at eight BNSF crossings within the city of Kent.

Funding Source	Public or Private	Cash or In-Kind	Amount	%
WSDOT	Public	Cash	\$0	0%
Unfunded	Public	Cash	\$915,395	100%
Total			\$915,395	100%

Summary of Analysis and Recommendation:

- The benefit cost ratio is not in excess of one and it is therefore ineligible.
- While BNSF Railway is in support of this project they did not provide any matching private funds for the project completion.