



## Freight Rail Investment Bank Project List

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### Introduction

The Washington State Legislature authorized the Washington State Department of Transportation (WSDOT), under ESHB 2190, Section 309 (2)(a), to provide loans for the Freight Rail Investment Bank. Both the number of applications and the total amount requested amount from the program has increased: WSDOT received seven applications requesting nearly \$2.25 million in funding. Four of the applications advised they would be interested in funding through the loan program in the event that their project was not funded in the grant program.

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 set 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.

All seven project applications came from very financially stable public organizations. Thus, all seven 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.



## Prioritized Project List:

### Master List

Name of Applicant	Score	Ranking	Amount
Port of Walla Walla	72	1	\$250,000
Tacoma Rail – Yard Tracks 8&9	39	2	\$823,227 (see A)
Tacoma Rail – Taylor Way Track Rehab	29	3=	\$1,105,071 (see A)
Tacoma Rail – West Loop Track	29	3=	\$515,789 (see A)
Tacoma Rail – East Loop Track	25	5	\$773,070 (see A)
Tacoma Rail – Port Pass Track Upgrade	23	6	\$250,000
Tacoma Rail – North Yard Track Upgrade	21	7	\$366,387
<b>Total</b>			<b>\$4,083,544</b>

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

Note A – Applicant submitted for both grant and loan funding for this project. Applicant suggested that if grant funding was not available they preferred the project be funded entirely with funds from the Freight Rail Investment Bank. The amount listed here includes funding previously requested through the grant program.



## 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	\$1,150,000	53%
WSDOT – Freight Rail Assistance Program	Public	Cash	\$750,000	35%
WSDOT – Freight Rail Investment Bank	Public	Cash – loan	\$250,000	12%
<b>Total</b>			<b>\$2,150,000</b>	<b>100%</b>

### 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.
- This project is recommended for funding from both the Freight Rail Assistance Program and the Freight Rail Investment Bank.



## Tacoma Rail – Yard Tracks 8 & 9

Ranking: 2

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 – shifted from Freight Rail Assistance Program to Freight Rail Investment Bank	Public	Cash – loan	\$440,000	40%
WSDOT – Freight Rail Investment Bank	Public	Cash – loan	\$383,227	35%
<b>Total</b>			<b>\$1,104,034</b>	<b>100%</b>

### 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. This funding shift is recommended.



## Tacoma Rail – Taylor Way Track Rehabilitation

Ranking: 3=

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 – shifted from Freight Rail Assistance Program to Freight Rail Investment Bank	Public	Cash – loan	\$600,000	43%
WSDOT – Freight Rail Investment Bank	Public	Cash – loan	\$505,074	37%
<b>Total</b>			<b>\$1,381,343</b>	<b>100%</b>

### 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. This funding shift is recommended.



## Tacoma Rail – West Loop Track

Ranking: 3=

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 – shifted from Freight Rail Assistance Program to Freight Rail Investment Bank	Public	Cash – loan	\$265,789	41%
Tacoma Rail	Public	Cash/In Kind	\$128,947	20%
WSDOT – Freight Rail Investment Bank	Public	Cash – loan	\$250,000	39%
<b>Total</b>			<b>\$644,736</b>	<b>100%</b>

### 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. This funding shift is recommended.



## Tacoma Rail – East Loop Track

Ranking: 5

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 – shifted from Freight Rail Assistance Program to Freight Rail Investment Bank	Public	Cash – loan	\$523,070	54%
Tacoma Rail	Public	Cash/In Kind	\$193,268	20%
WSDOT – Freight Rail Investment Bank	Public	Cash – loan	\$250,000	26%
<b>Total</b>			<b>\$966,338</b>	<b>100%</b>

### 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. This funding shift is recommended.



## Tacoma Rail – Port Pass Track Upgrade

Ranking: 6

Final Score: 23

### Project Description

This project will replace worn 115-pound rail in the Tacoma Yard. This project will ensure the facility can handle heavy loads up to 286,000 pounds.

Funding Source	Public or Private	Cash or In-Kind	Amount	%
WSDOT – Freight Rail Investment Bank	Public	Cash – loan	\$250,000	68%
Tacoma Rail	Public	Cash/In Kind	\$120,110	32%
<b>Total</b>			<b>\$370,110</b>	<b>100%</b>

### Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of 2 to 1.
- This project will increase Tacoma Rail’s flexibility and operational efficiency.
- This project is recommended for funding





## Tacoma Rail – North Yard Track Upgrade

Ranking: 7

Final Score: 21

### Project Description

This project will replace worn 112-pound rail in the Tacoma Yard. This project will ensure the facility can continue to handle heavy loads up to 286,000 pounds. This track supports all inbound and outbound rail shipments to Port of Tacoma’s North Intermodal Yard.

Funding Source	Public or Private	Cash or In-Kind	Amount	%
WSDOT – Freight Rail Investment Bank	Public	Cash – loan	\$366,387	70%
Tacoma Rail	Private	Cash/In-Kind	\$157,023	30%
<b>Total</b>			<b>\$523,410</b>	<b>100%</b>

### Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of 2 to 1.
- This project will increase Tacoma Rail’s flexibility and operational efficiency.
- This project is recommended for funding