



## 2022 Supplemental Freight Rail Investment Bank Project List

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### Introduction - Prioritized Project Lists

The Washington State Legislature authorized the Washington State Department of Transportation (WSDOT), under SSB 5165 Section 310 (2), to issue a Supplemental Call for Projects for “low-interest loans” through the Freight Rail Investment Bank (loan program). The loan program is available for publicly owned railroads, port districts, rail districts and local governments.

For the remainder of the 2021-2023 biennium, a total of \$3.438 million is available for FRIB loans. WSDOT issued a “2022 Supplemental FRIB Call for Projects” on June 10, 2021, based on legislative priorities defined in RCW 47.76. Proposal submittals were due to WSDOT by September 24, 2021. WSDOT received four (4) applications for the FRIB loans requesting \$4.7 million in funding.

Since the FRIB proposals exceeded available funding, it was necessary to prioritize applications based on stated benefits, delivery feasibility, and those that directly increased existing rail traffic.

WSDOT is required to submit a prioritized list of recommended projects to the Office of Financial Management and the transportation committees of the Legislature by November 15, 2021. The recommended projects were scored and ranked by a review team composed of representatives from the WSDOT Multimodal Planning Division, WSDOT Local Programs, the Washington Public Ports Association and WSDOT Rail, Freight, and Ports Division.

The review panel evaluated each proposal based on the following elements:

- The benefit/cost analysis outlined in the “Freight Rail Project Priorities” report submitted to the Legislature on September 1, 2008
- Best past practices as specified in section 309, chapter 367, Laws of 2011
- Verified scores based on the self-evaluation matrix required as part of each submission, as outlined in the application criteria



WSDOT’s Rail, Freight and Ports Division verified the benefit/cost analysis supplied by the applicants and then tabulated the total scores for each of the application packages. Other members of the review team used their experience and professional judgment to assist in ranking each project.

The priority ranking of the projects led the review team to recommend fully funding two (2) and partially funding one (1) of the FRIB proposals. These determinations were based on the amount of funding available, as well as the ranking of the proposals. The review team recommends all three (3) of the FRIB proposals.

The WSDOT cost to administer the various proposals were developed and are shown on the Program Master Lists. The projects recommended would be funded with the addition of administrative costs figured into the total project cost.

**FRIB Loan Program Master List**

<b>Applicant</b>	<b>Rank</b>	<b>Total Project Cost</b>	<b>Applicant Match</b>	<b>WSDOT Grant</b>	<b>WSDOT Admin</b>	<b>WSDOT Loan Total</b>
Port of Benton	1	\$610,000	\$350,000	\$250,000	\$10,000	\$260,000
Port of Everett	2	\$3,312,000	\$740,000	\$2,547,000	\$25,000	\$2,572,000
Tacoma Rail	3	\$867,081	\$261,081	\$590,000	\$16,000	\$606,000
<b>TOTAL</b>		<b>\$4,789,081</b>	<b>\$1,351,081</b>	<b>\$3,387,000</b>	<b>\$51,000</b>	<b>\$3,438,000</b>



## Freight Rail Investment Bank Port of Benton- Crossing Replacements

**Ranking of project: 1**

**Recommended for funding**

### Project description

Replace/repair railroad crossings at Van Giesen Street and Cemetery/Swift Blvd in Richland, WA.

### Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Port of Benton	Public	Cash	\$350,000	57%
WSDOT Administration	Public	Cash	\$10,000	2%
WSDOT	Public	Cash	\$250,000	41%
<b>Total</b>			<b>\$610,000</b>	<b>100%</b>
<b>Recommended for Funding</b>			<b>\$260,000</b>	<b>43%</b>

### Summary of analysis and recommendations

The review committee agreed that due to the high volume of both rail and vehicle traffic at these crossings, replace/repairs are necessary. Van Giesen Street involves a major intersection with high traffic volumes. Cemetery Road is a low volume road that services a cemetery, which is an important community feature.

The large match percentage put forth by the Port of Benton, as well as its strong business plan, led the review committee to rate this the top project for funding.

## Freight Rail Investment Bank Port of Everett – Cargo Handling Equipment

Ranking of project: 2

Recommended for partial funding

### Project description

Purchase cargo handling equipment for the Norton Terminal in Everett, WA.

### Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Port of Everett	Public	Cash	\$740,000	22%
WSDOT Administration	Public	Cash	\$25,000	1%
WSDOT	Public	Cash	\$2,547,000	77%
<b>Total</b>			<b>\$3,312,000</b>	<b>100%</b>
<b>Recommended for Funding</b>			<b>\$2,572,000</b>	<b>78%</b>

### Summary of analysis and recommendations

The purchase of freight handling equipment (forklifts, cranes, etc) is critical to the Port's cargo handling as it will allow freight to move efficiently through the terminals; decrease delays in the loading/unloading of ships, trucks, and rail, decrease maintenance of existing equipment; extend the life expectancy of equipment; decrease labor costs; and reduce greenhouse gas emissions.

The review committee chose to reduce the size of the award because the request was for 14 separate pieces of equipment. Based on the submitted application and scope description, the review committee determined that a reduced award would allow purchase of the majority of the equipment requested for operational improvements within the Port. This loan, even at a reduced level, represents the largest loan granted.



# Freight Rail Investment Bank

## Tacoma Rail – Alexander Wye & Storage Track Upgrades

**Ranking of project: 3**

**Recommended for funding**

### Project description

Remove 770 feet of small rail and replace with 115 lb rail; replace track switches; replace four (4) turnouts and one private crossing; replace ties throughout project limits in the Port of Tacoma area.

### Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Tacoma Rail	Public	Cash	\$261,801	30%
WSDOT Administration	Public	Cash	\$16,000	2%
WSDOT	Public	Cash	\$590,000	68%
<b>Total</b>			<b>\$867,081</b>	<b>100%</b>
<b>Recommended for Funding</b>			<b>\$606,000</b>	<b>70%</b>

### Summary of analysis and recommendations

This portion of track supports the largest customers Tacoma Rail has on the Blair Peninsula in the Port of Tacoma area. The track was utilized in 2020 to handle 9,949 loaded railcars which includes unit trains of ethanol and rail cargo for transload. There are no alternate routes that can be used for freight rail delivery within this area of the Port.

The Alexander Wye and Storage Track Upgrade project proposal benefits the state in providing improved rail access to industries located in the Port of Tacoma area. Tacoma Rail is a significant partner in moving freight and contributes to the Port being competitive with other west coast and national ports.



## Freight Rail Investment Bank

# Tacoma Rail – Annie Tracks Switch & Curve Upgrade

Ranking of project: 4

Not recommended for funding

### Project description

Remove worn and deteriorated track switches at 10 turnouts; replace and relocate one crossover; and replace 1,200 crossties in the Port of Tacoma area.

### Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Tacoma Rail	Public	Cash	\$65,245	3%
Federal Funds Requested	Public	Cash	\$1,389,012	60%
WSDOT Funds Requested	Public	Cash	\$900,000	37%
<b>Total</b>			<b>\$2,354,257</b>	<b>100%</b>
<b>Recommended for Funding</b>			<b>\$0</b>	<b>0%</b>

### Summary of analysis and recommendations

This application is seeking additional funding to use as a match for potential federal funding application through Department of Transportation Maritime Administration (MARAD) Port Infrastructure Development Program (PIDP) in 2021. DOT MARAD seeks to obligate FY 2021 PIDP funds by September 30, 2024. If Tacoma Rail is not successful with this federal application, they will attempt to seek alternate Federal funding.

The review committee ranked this project 4<sup>th</sup> out of 4 applications due to its low local match and Tacoma Rail's inability to start or complete the work in the current WSDOT 2021-2023 funding biennium.