

State Freight System Solutions for Consideration

Washington State shippers' and truck carriers' top priorities for investment in the state's freight system:

- Preserve the I-5 Corridor in Central Puget Sound and actively manage it to gain operational efficiencies.
- Complete the missing link between Highway 509 and I-5 to create a third major truck route into the Seattle metro region.
- Construct the link between Highway 167 and I-5/Port of Tacoma and continue to improve the I-405/Highway 167 Corridor.
- Maintain freight capacity on the Alaskan Way Viaduct corridor so trucks aren't shifted to I-5.

In order to connect both sides of the state and ship agricultural products to market year round, freight stakeholders' priorities are:

- Improve I-90 over Snoqualmie Pass to prevent severe weather closures.
- Develop and fund a statewide core all-weather county road system.

Develop a strategic plan for the state's investment in the rail system and negotiate with stakeholders to implement the plan.

At the regional level, the state may partner with stakeholders to:

- Provide intermodal connections,
- Support regional economic development, and
- Build grade separations.

Key Freight System Contacts for Vancouver/ Southwest Washington

American Short Line and Regional Railroad Association – (202) 585-3442	Public Ports (Cont):
Association of American Railroads – (202) 639-2100	Port of Longview - (360) 425-3305
Association of Washington Business – (360) 943-1600	Port of Portland, Oregon - (503) 944-7000
Association of Washington Cities – (360) 753-4137	Port of Vancouver, USA - (360) 693-3611
Chambers of Commerce:	Washington Public Ports Association – (360) 943-0760
Centralia- Chehalis Chamber of Commerce – (360) 748-8885	Southwest Washington Regional Transportation Council - (360) 397-6067
Greater Vancouver Chamber of Commerce – (360) 694-2588	State of Washington Freight Mobility Strategic Investment Board (FMSIB) – (360) 586-9695
Kelso Longview Chamber of Commerce – (360) 423-8400	Thurston Regional Planning Council – (360) 956-7875
Thurston County Chamber of Commerce – (360) 357-3362	Washington Council on International Trade - (206) 443-3826
County Road Administration Board – (360) 753-5989	Washington Economic Development Association – (425) 967-0736
Cowlitz-Wahkiakum Council of Governments and Southwest Washington Regional Transportation Planning Organization – (360) 577-3041	Washington Food Industry – (360) 753-5177
Economic Development Councils (EDC):	Washington Manufacturing Services – (425) 438-1146
Columbia River EDC – (360) 694-5006	Washington Retail Association – (360) 943-9198
Cowlitz County EDC – (360) 423-9921	Washington Software Alliance – (206) 448-3033
Lewis County EDC – (360) 748-0114	Washington State Department of Community, Trade and Economic Development - (360) 725-4011
Lower Columbia EDC – (360) 795-3996	Washington State Department of Natural Resources – (360) 902-1004
Skamania County EDC – (509) 427-5110	Washington State Department of Transportation:
Metro (Portland, Oregon) – (503) 797-1700	Freight Systems Division – (360) 705-7932
Pacific Northwest Waterways Association - (503) 234-8550	Southwest Region – (360) 905-2001
Peninsula Regional Transportation Planning Organization – (360) 357-2675	Tribal Liaison – (360) 705-7025
Public Ports:	Washington Trucking Association – (253) 838-1650
Port of Centralia - (360) 736-3527	
Port of Chehalis - (360) 748-9365	
Port of Kalama - (360) 673-2325	

More Information:

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Freight and the Economy of Vancouver/ Southwest Washington

The three components of Vancouver/ Southwest Washington's freight system:

- I. **Global Gateways** – International and National Trade Flows Through Vancouver/ Southwest Washington
- II. **Made in Vancouver/ Southwest Washington** – Regional Economies Rely on the Freight System
- III. **Delivering Goods to You** – The Retail and Wholesale Distribution System in Vancouver/ Southwest Washington

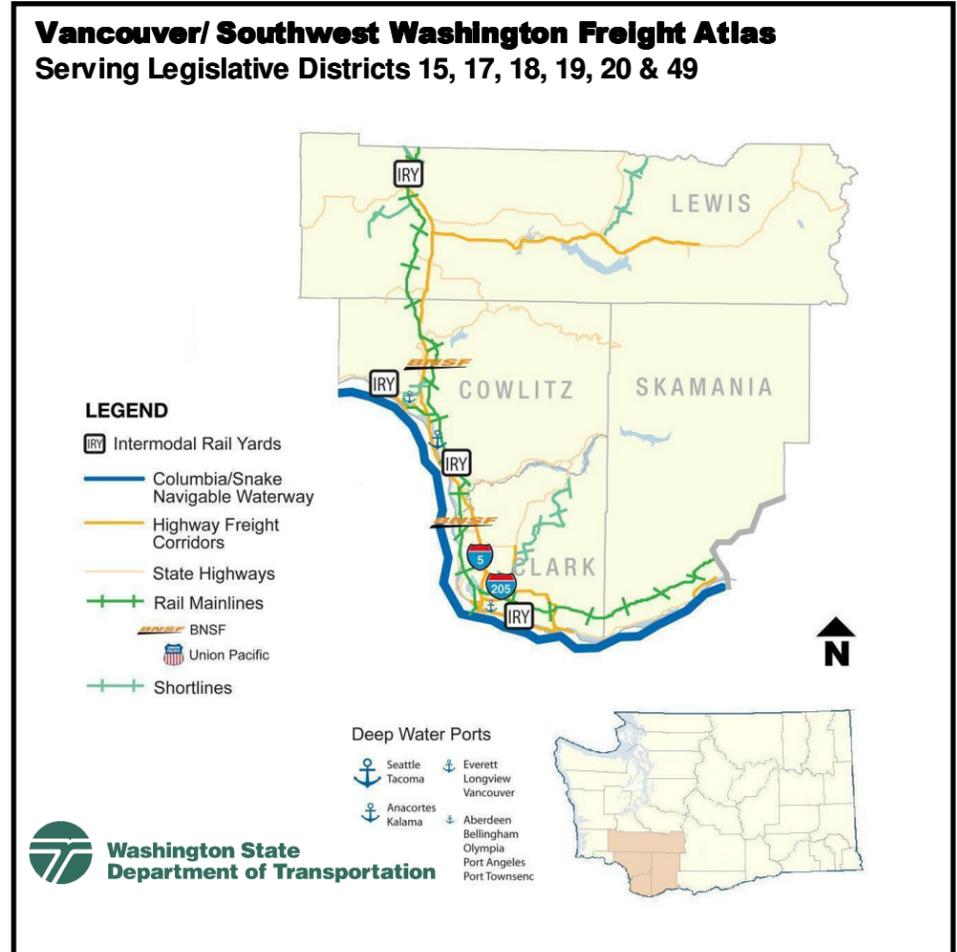
underpin national, state, and regional economies; support national defense; directly sustain hundreds of thousands of jobs; and distribute the necessities of life to every resident of the region everyday.

I. 'Global Gateways' – International and National Trade Flows Through Vancouver/ Southwest Washington

- Washington State is an important and growing gateway for trade access to the Pacific Rim, Canada and U.S.
- Vancouver/ Southwest Washington's global gateways freight system serves the national economy and national defense.
- It also provides competitive advantage for logistics and trade, manufacturing, agribusiness and timber/wood products sectors.

The Vancouver/ Southwest Washington region is home to several global gateway seaports. Columbia River seaports play major roles in the movement of exported agricultural products. The Columbia-Snake River barge system is the world's second largest grain export system and the United State's largest wheat export system. It carries 40 percent of all U.S. wheat exports and over 60 percent of eastern Washington wheat.

The Ports of Portland and Vancouver are both export-



dominated ports and the Portland-Vancouver region is a growing national freight distribution center.

The mainline rail system converges in the Portland/ Vancouver area – connecting the I-5 rail corridor with a primary east-west route for both of the mainline rail companies. BNSF Railway Company’s route runs along the north side of the Columbia River, and the UP Railroad’s runs along the south side. They are the railroads’ primary routes for Midwest grain trains headed to the Columbia River ports for export. Due to heavy traffic and capacity constraints on the BNSF’s Stevens Pass line (the primary east-west route for intermodal trains), this route has also become a reliever route for intermodal traffic from the Central Puget Sound container ports. These seaports move large volumes of imported manufactured goods that are shipped in containers from Asia, and the annual volume of containers is expected to more than double from 2002 to 2025. About 70 percent of imported containers are transferred to rail for delivery to the Midwest and/ or the East Coast via the mainline railroads’ east-west corridors.

Challenges Facing Vancouver/ Southwest Washington’s ‘Global Gateways’ Freight System

- The Columbia – Snake River waterway needs a funded strategic maintenance plan.
- The mainline rail companies, BNSF Railway Company and UP Railroad, are reaching their capacity limits in Washington State and across the U.S.
- Smaller shippers are having trouble adapting to BNSF and UP Railroads’ new business model, which requires that railroad cars are aggregated into 100 to 150 unit trains.
- More and more BNSF and UP trains are crossing the state, so there are more trains blocking local traffic.

II. ‘Made in Vancouver/ Southwest Washington’ – Regional Economies Rely on the Freight System

Vancouver/ Southwest Washington’s own manufacturers and industrial sectors rely on the freight system to ship regionally-made products to local customers, to the big U.S. markets in California and on the east coast, and worldwide. Over 76,000 jobs in Vancouver/ Southwest Washington relied on the freight system in 2005.

Southwest Washington’s diverse manufacturing sector runs the gamut, as exemplified by the three chips: silicon wafers, potato chips and wood chips for paper mills. Fast growing East Clark County is the center of the I-5 Silicon Valley in Washington State. Traditional manufacturers, such as the enormous paper mills on the Columbia River, also have a long history in the region.

Vancouver/ Southwest Washington’s regional economies in manufacturing and industry depend on speed and reliability throughout the freight system. For example, WaferTech’s one-million-square-foot semiconductor foundry in East Clark County can’t function without fast and reliable air cargo; if a tool is delayed overnight in the supply chain from Taiwan, the plant will shut down and idle 1,000 employees. The Vancouver Frito-Lay plant receives up to 50 truckloads of fresh potatoes each week from growers in the Columbia Basin. The plant keeps just enough potatoes on hand for one eight-hour shift; if the potatoes do not arrive on time, the plant cannot run.

Companies ship their products by truck to big consumer markets on the I-5 corridor. Their customers are north in Central Puget Sound, and south in Portland and/ or California. More than 34 percent of truck trips originating in Southwest Washington were destined for Central Puget Sound in 2002.

Clark County functions as one regional economy with the Portland metro area. Vancouver and Portland are connected by two bridges over the Columbia River. By 2020, the I-5 Columbia River Bridge will operate at capacity for almost 10 hours each day. Congestion will spread into the midday period, which is the peak travel time for trucks. Vehicle hours of delay during the evening

76,262 Jobs Rely on Freight in Vancouver/ Southwest Washington		
	Jobs	Average Wage
Agriculture	1,913	\$21,762
Forestry and Mining	1,494	\$45,256
Manufacturing	24,070	\$46,369
Construction	14,236	\$39,013
Wholesale and Retail Trade	29,283	\$30,356
Transportation and Warehousing	5,266	\$37,205

* Office of Financial Management (OFM), 2006. Clark, Cowlitz, Lewis, and Skamania County.

The I-5 Columbia River Bridge Connects Washington and Oregon



peak period on truck routes will increase 92 percent. The cost of truck delay is projected to increase 140 percent, from \$14.1 million in 2000 to \$34 million in 2020.

About 90 percent of Vancouver/ Southwest Washington manufacturers, trucking and wholesale companies surveyed by WSDOT in 2007 say that the state freight system and infrastructure is highly important to their success and growth. They need to meet customer requirements for on-time delivery. About 75 percent of Southwest Washington’s trucking and wholesale companies surveyed are highly satisfied with the current freight system performance; as are 85 percent of manufacturing companies.

Challenges Facing the ‘Made in Vancouver/ Southwest Washington’ Freight System

- Companies have no practical alternative to Washington’s most heavily used north-south freight routes and Interstate 90.
- The I-5 Columbia River Bridge is congested and aging.
- The Columbia – Snake River waterway needs a funded strategic maintenance plan.
- A local truck route program is needed to connect industry to the interstate and the state highway system.

III. ‘Delivering Goods to You’ – The Retail and Wholesale Distribution System in Vancouver/ Southwest Washington

The greatest volume of trucks on roads and highways serve the daily needs of consumers through the wholesale and retail distribution system. Up to 80 percent of all truck trips in metropolitan areas serve the retail, wholesale and business services sectors. An enormous variety of goods are handled on this system; food and groceries, fuel, pharmaceuticals and medical supplies, retail stock, office supplies and documents, trash and garbage, construction materials and equipment.

Every resident in Vancouver/ Southwest Washington depends on the freight distribution system for daily necessities, from fuel at the gas station to garbage and refuse pick-up. Shopping malls, grocery stores, restaurants, gas stations and retail stores receive thousands of deliveries – all by truck – to provide goods for consumers everyday. A typical large grocery store receives two big semi-tractor-trailer deliveries and ten to twenty other specialized deliveries per day. These establishments also generate revenue and provide jobs in the region. In 2005 there were over 2,370 retail and wholesale firms, providing over 29,000 jobs, in Vancouver/ Southwest Washington.

Vancouver/ Southwest Washington’s modern service economy depends on speed of delivery through the freight system. Distribution companies must provide fast and ubiquitous service that is reliable under all conditions.

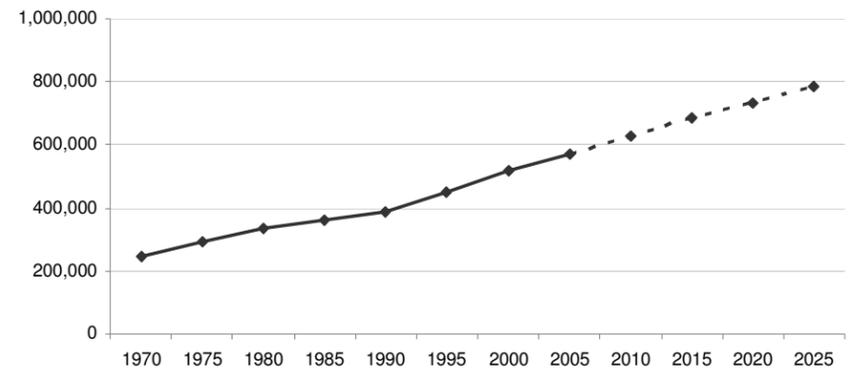
Most are coming from the state’s major distribution hubs in the Green River Valley and further south along the I-5 corridor. They rely on the core freight system grid to reach population centers.

Tremendous population and employment growth in the region will increase the need for distribution services. Vancouver/ Southwest Washington’s 2006 population of 584,000 will grow to an estimated 785,000 by 2025. The Vancouver area is linked to the Portland metropolitan area, which had a population of 1.5 million in 2004. The area plans to grow to a population of almost 2.8 million by 2025, and will increase employment to almost 2 million.

Challenges Facing Vancouver/ Southwest Washington’s ‘Delivering Goods to You’ Freight System

- High-value, time-critical deliveries must move quickly through the freight distribution system.
- In order to support population and economic growth, especially in growing urban areas, companies must be able to provide goods and services to population centers from the state’s major distribution and warehousing hubs along Interstate 5.

Population Growth in Vancouver/ Southwest Washington



* Office of Financial Management (OFM), 2006. Clark, Cowlitz, Lewis, and Skamania County.