



## 2015-2017 Connecting Washington Freight Rail Assistance Program Project List

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### Introduction

The Washington State Legislature authorized the Washington State Department of Transportation (WSDOT), under 2ESSB 5988, Section 308 (2), to issue a “Call for Projects” for the Freight Rail Assistance Program. WSDOT received nine applications requesting over \$3 million in funding in 2015-17.

WSDOT issued a ‘Call for Projects’ based on legislative priorities defined in RCW 47.76.240 in September 2015. Proposal submittals were due back to WSDOT on October 9, 2015. By December 1, 2015, 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, 2016. If funds are not available until a later date, project milestone dates will need to be adjusted.

The WSDOT Freight Systems Division ranked the proposals with the assistance of a review team consisting of participants from the Freight Mobility Strategic Investment Board, the Washington Public Ports Association and WSDOT’s Rail Division. 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 has recommended to those public sector applicants that are not recommended for funding in the Freight Rail Assistance Program to consider funding from the State Rail



Investment Bank where there are funds remaining. We have advised within the project detail where applicants have chosen this funding option.

WSDOT received one project proposal that was not feasible due to scope, schedule or budget considerations. This project was not evaluated on other merits and is not recommended for funding in the Freight Rail Assistance Program.



**Prioritized Project List:**

**Master List**

<b>Name of Applicant</b>	<b>Score</b>	<b>Ranking</b>	<b>Amount (A)</b>
Kettle Falls International Railway	83	1	\$383,455
Central Washington Railroad Co	77	2	\$135,000
Port of Columbia	68	3	\$230,000
Washington & Idaho Railroad	64	4	\$221,545*
Eastern Washington Gateway	58	5	\$0
Watco Incorporated	54	6	\$0
Clark County	53	7	\$0 (A)
Western Washington Railroad	48	8	\$0
Washington State Alternate Energy			\$0 (B)
<b>Total</b>			<b>\$970,000</b>

\* This project is recommended for funding for less than the requested amount; applicant has confirmed that the project can be completed for this amount.

Note A – This project would qualify for a loan under the Freight Rail Investment Bank as funds remain in that program. All qualified applicants not recommended for funding in this program were asked if they would prefer to be considered for funding from the loan program. Individual responses are provided in the Summary of the project detail. If project applicants do want to be considered, they will also appear in Freight Rail Investment Bank Program Project List.

Note B - These projects either did not pass the benefit/cost requirements, could not be completed for less than the requested amount or provided inadequate data detailing benefits or project scope, schedule and budget. These projects are not recommended.



## Kettle Falls International Railway – Track Improvements: Barstow to Laurier Phase I

Ranking: 1

Final Score: 83

PIN #742110A

### Project Description

This project will replace 3,500 ties, repair, 4,700 joint bars and surface 10 miles of track between Barstow and Laurier, WA, a distance of 17 miles. The project will result in the track being upgraded from Federal Railroad Administration (FRA) Excepted Status to FRA Class I Status.

### Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Kettle Falls International Railway	Private	Cash	\$385,854	50%
WSDOT	Public	Cash	\$383,455	50%
<b>Total</b>			<b>\$769,309</b>	<b>100%</b>

### Summary of Analysis and Recommendation:

- The benefit-cost ratio is in excess of 2 to 1.
- This rail line may face abandonment as early as 2021 without maintenance improvements supported by this grant.
- This rail line support high wage jobs in Ferry County, one of the most economically distressed counties of the state.



## Central Washington Railroad Co – Rail Rehabilitation: Union Gap

Ranking: 2

Final Score: 77

PIN #764510A

### Project Description

The project will replace 1,000 cross ties and 315 switch ties over 3.5 miles of the rail line.

### Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Central Washington Railroad	Private	Cash/In-kind	\$109,607	44.8%
WSDOT	Public	Cash	\$135,000	55.2%
Total			\$244,607	100.0%

### Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of 2 to 1.
- This project extends the ability to safely operate this rail segment by 10 years.
- The rail segment generates 2,000 rail shipments per year.



### Port of Columbia – Blue Mountain Station – Phase I

Ranking: 3

Final Score: 68

PIN #722220A

#### Project Description

This project will construct a 1,000 foot rail spur track that will serve the 28-acre Blue Mountain Station Business Park in Dayton, WA.

#### Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Local – Port	Public	Cash	\$10,000	4%
Local – Rail Operator	Private	In-Kind	\$10,000	4%
WSDOT	Public	Cash	\$230,000	92%
<b>Total</b>			<b>\$250,000</b>	<b>100.0%</b>

#### Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of 2 to 1.
- The port has identified a tenant that is interested in building a food processing facility that will create 75 full time and 25 part time jobs. The facility will require rail service.
- Blue Mountain Station is a new business park designed to attract environmentally minded food processing companies interested in natural and organically grown regional foods.
- The rail spur will support the first new rail shipper on the line since the port acquired the rail line in 1996.



## Washington & Idaho Railroad – P&L Bridge Repair: MP 36-59

Ranking: 4

Final Score: 64

PIN #700420A

### Project Description

The project will repair 11 bridges located between mileposts 36 and 59 on the Palouse & Lewiston Branch of the PCC Rail System.

### Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Washington & Idaho Railroad	Private	Cash	\$40,000	14.6%
WSDOT	Public	Cash	\$221,545	80.7%
Unfunded			\$12,955	4.7%
<b>Total</b>			<b>\$274,500</b>	<b>100%</b>

### Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of 2 to 1.
- This project supports 10 customers in addition to Palouse Grain Growers which will begin shipping up to 500 railcars per year upon completion of their new loadout facility in 2017.
- Improvements made to these bridges will extend their useful life up to 25 years.
- This project maintains existing bridge structure. Repairing and strengthening existing bridge structures is more cost effective than constructing new structures.



## Eastern Washington Gateway – CW Branch Rehabilitation: MP 13-17

Ranking: 5

Final Score: 58

### Project Description

This project will replace 4,500 cross ties over four miles of the CW Branch of the PCC Rail System. The project would result in the track being upgraded from FRA Excepted Status to FRA Class 2 Status.

### Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Eastern Washington Gateway	Private	In-Kind	\$236,770	46.8%
Unfunded			\$269,480	53.2%
<b>Total</b>			<b>\$506,250</b>	<b>100%</b>

### Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of 2 to 1.
- The project builds on past funding provided through the Freight Rail Assistance Program and other state appropriated funding.



## Watco Incorporated – Walla Walla Yard Track Improvements

Ranking: 6

Final Score: 54

### Project Description

This project will replace rail that weighs between 60 and 90 pounds per yard with new heavier rail. The project will result in the track being upgraded from FRA Excepted Status to FRA Class 1 Status.

### Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Watco, Inc.	Private	Cash	\$35,900	10%
Unfunded			\$323,104	90%
<b>Total</b>			<b>\$359,004</b>	<b>100%</b>

### 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 in Southeast Washington.
- While the entire project is necessary, the project scope could be altered in the event that the project is only partially funded.



## Clark County – Chelatchie Prairie – Rye Junction Rail Rehabilitation – Phase I

Ranking: 7

Final Score: 53

### Project Description

This project will replace aging, light duty 85-pound rail with new 136-pound rail that will support modern railcars weighing 286,000 pounds. This will be the first phase of a multi-phased project designed to improve efficient us of rail.

### Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Local – Clark County	Public	Cash	\$100,000	20%
Unfunded			\$400,000	80%
<b>Total</b>			<b>\$500,000</b>	<b>100%</b>

### Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of one.
- The project will make improvements on the section of the rail corridor that has the most railcars shipments.
- The rail line has seen a 10 fold increase in freight since 2004. The Portland Vancouver Junction Railway transported 730 railcars in 2014.
- While the applicant demonstrated sufficient need for the project, certain elements of the planned improvement lacked justification to demonstrate the project would comply with a Practical Solutions review.
- The applicant has declined to be considered for funding through the Freight Rail Investment Bank program.



## Western Washington Railroad – Blakeslee to Curtis Junction

Ranking: 8

Final Score: 48

### Project Description

This project would replace 700 cross ties per miles between Blakeslee Junction in Centralia and Curtis Junction, located in Chehalis, a distance of 6.5 miles. This project will result in the track being upgraded from FRA Excepted Status to FRA Class 1 Status. The project will also allow for the continued handling of modern capacity rail equipment weighing up to 286,000 pounds.

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Railroad Operator	Private	Cash & In-Kind	\$241,700	47.3%
Unfunded			\$269,250	52.7%
<b>Total</b>			<b>\$510,950</b>	<b>100%</b>

### Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of one.
- While there is adequate data to support a positive benefit for state funding, the application lacked critical data to support future growth, including support letters from key project stakeholders.



## Washington State Alternate Energy – Beverly Bridge Project

Ranking: not recommended

Final Score:

### Project Description:

The project proposes to build a multimodal transload terminal on a 6.2 acre site in Beverly, WA. The project would construct a switch and spur track into the site.

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Unfunded			\$750,000	100%
<b>Total</b>			<b>\$750,000</b>	<b>100%</b>

### Summary of Analysis and Recommendation:

- The application lacked sufficient data to be able to determine the public or economic benefit of the project.
- The proposed project site is 13 miles from the nearest active rail line. The project scope failed to define how rail service at the site would be feasible.