



2015-2017 Freight Rail Investment Bank Project List

Introduction

The Washington State Legislature authorized the Washington State Department of Transportation (WSDOT), under ESSB 6001, Section 310 (2), to issue a “Call for Projects” for the Freight Rail Investment Bank. WSDOT received six applications requesting nearly \$2 million in funding. One additional project has converted from the Freight Rail Assistance Program grant program to the loan program and one project that applied to both programs has requested that its unfunded portion from its grant application be fully funded through the loan program.

WSDOT issued a “Call for Projects” based on legislative priorities defined in RCW 47.76.240 in July 2014. Proposal submittals were due back to WSDOT on August 29, 2014. By November 1, 2014, 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, 2015. 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 Department of Commerce, 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.

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 Whitman County	60	1	\$500,000 (A)(B)
Tacoma Rail – Transfer Yard Connection	46	2	\$150,000 (A)
Tacoma Rail – Edwards Crossover Rehab	37	3=	\$156,997
Tacoma Rail – Taylor Wye Rehab	37	3=	\$311,457 (B)
Tacoma Rail – West Lead Rebuild	37	3=	\$369,518 (B)
Tacoma Rail – East Lead Rebuild	37	3=	\$469,270 (B)
Port of Walla Walla – Wallula Gap Business Park Industrial Track	34	7	\$810,085 (A)(B)
Total			\$2,767,327

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 advised 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.

Note B – Applicants request has exceeded the recommended \$250,000 maximum for loans provided by the program. Due to the limited number of applications received, the program has enough funding to grant the applicants requested amount. WSDOT recommends applicant be awarded loan funding per their request.



Port of Whitman County – Wilma Rail Terminal Improvements

Ranking: 1

Final Score: 60

PIN #727611A

Project Description

The project supports over \$15 million in private investment at the Port of Wilma and supports the creation of 15 new jobs. The project creates a second rail connection between the port and the rail line and improves mobility and safety of trucks and trains in and around the port facility by installing concrete crossings. This project will support unit train capability at the port.

Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Local – Port	Public	Cash	\$500,000	33.3%
WSDOT – Loan	Public	Cash – Loan	\$500,000	33.3%
WSDOT – Grant	Public	Cash	\$500,000	33.3%
Total			\$1,500,000	100.0%

Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of 2 to 1.
- This project will support new business at the port which is expected to generate over 800 railcars of additional business per year.
- Port of Wilma serves as a multimodal facility and provides access to road, rail and barge service on the Snake River.
- The scope of this project could be reduced in order accommodate a reduction in total amount awarded.



Tacoma Rail – Transfer Yard Connection

Ranking: 2

Final Score: 46

PIN #726810A

Project Description

Install 150 feet of track, a #9 turnout and a new diamond track crossing that will connect to existing rail track along Lincoln Ave and lead to the Transfer Yard.

Funding Source	Public or Private	Cash or In-Kind	Amount	%
US Oil	Private	Cash	\$175,000	50.6%
Tacoma Rail	Public	Cash/In Kind	\$20,582	6.0%
WSDOT – Freight Rail Investment Bank	Public	Cash – Loan	\$150,000	43.4%
Freight Rail Assistance Program			\$0	0%
Total			\$345,582	100%

Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of 2 to 1.
- This project would increase efficiency of train handling and offloading at US Oil.
- The project is not recommended for funding through the Freight Rail Assistance Program. The applicant has advised they are interested in converting the grant request to the loan program.



Tacoma Rail – Edwards Crossover Rehabilitation

Ranking: 3=

Final Score: 37

PIN #726810B

Project Description:

This project will remove and replace two #9 turnouts and replace 1,100 feet of rail with new 115 pound rail.

Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Tacoma Rail	Public	Cash/In-Kind	\$67,286	30%
WSDOT – Freight Rail Investment Bank	Public	Cash – Loan	\$156,997	70%
Total			\$224,283	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 deteriorated rail track.
- The project improves track infrastructure and is key to being able to dependably serve 11 customers.



Tacoma Rail – Taylor Wye Rehabilitation

Ranking: 3=

Final Score: 37

PIN #726810C

Project Description

This project will replace 1,200 feet of 90-pound rail with 115-pound rail including 90 feet of a bridge deck. The project will also replace two #9 turnouts .

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Tacoma Rail	Public	Cash/In Kind	\$133,482	30%
WSDOT – Freight Rail Investment Bank	Public	Cash – loan	\$311,457	70%
Total			\$444,939	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 Wye.
- The project improves track infrastructure and is key to being able to dependably serve 13 customers.



Tacoma Rail – West Lead High Side Rebuild

Ranking: 3=

Final Score: 37

PIN #711011O

Project Description

This project removes and replaces five deteriorated rail turnouts in the main classification yard's west end.

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Tacoma Rail	Public	Cash/In Kind	\$158,365	30%
WSDOT – Freight Rail Investment Bank	Public	Cash – loan	\$369,518	70%
Total			\$527,883	100%

Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of 2 to 1.
- This project improves safety and efficiency of operations in the main rail yard serving the Port of Tacoma. All trains entering and leaving the port use this yard.



Tacoma Rail – East Lead Low Side Rebuild

Ranking: 3=

Final Score: 37

PIN #7110100

Project Description

This project will replace worn 1,200 feet of worn 112-pound rail in the main classification yard. This project will also replace seven turnouts.

Funding Source	Public or Private	Cash or In-Kind	Amount	%
WSDOT – Freight Rail Investment Bank	Public	Cash – loan	\$469,270	70%
Tacoma Rail	Public	Cash/In Kind	\$201,116	30%
Total			\$670,386	100%

Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of 2 to 1.
- This project improves safety and efficiency of operations in the main rail yard serving the Port of Tacoma. All trains entering and leaving the port use this yard.



Port of Walla Walla – Wallula Gap Business Park Lead Track

Ranking: 7

Final Score: 34

PIN #758710A

Project Description

The project will acquire right-of-way, construct a new connection track and an additional 1,000 feet of track.

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Port of Walla Walla	Public	Cash	\$523,640	39.3%
WSDOT – Freight Rail Investment Bank	Public	Cash – Loan	\$810,085	60.7%
Freight Rail Assistance Program			\$0	0%
Total			\$1,333,725	100%

Summary of Analysis and Recommendation:

- The benefit cost ratio is in excess of one.
- The project proposes to build rail access to a 1,400 acres industrial site.
- The new industrial site will have rail access to both BNSF Railway and Union Pacific. This is an important feature for new businesses that would rely on rail transportation.
- Port of Walla Walla’s original application requested \$650,000 from the Freight Rail Assistance Program and \$160,085 from the Freight Rail Investment Bank. The project is not recommended for funding from the Freight Rail Assistance Program. The applicant has advised they are interested in converting the grant request to the loan program.