FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD
MEETING MINUTES

September 19, 2014
Yakima, WA

Board members present: Mr. Dan Gatchet, Chair; Mr. Johan Hellman; Mr. Geir-Eilif Kalhagen; Mr. Tom Trulove; Ms. Sheri Call; Mr. Brian Ziegler; Mr. John Creighton; Mr. Pat Hulcey; and Mr. Brock Nelson.

WELCOME: Chair Dan Gatchet opened the meeting with introductions. Assistant Mayor Kathy Coffey welcomed the Board members and reviewed some of Yakima's improvement projects.

MINUTES: Mr. Tom Trulove moved and Mr. Pat Hulcey seconded the motion to adopt the July 18, 2014 minutes.
MOTION CARRIED

APPOINTMENTS/PUBLIC RECORD REQUESTS

Executive Director Ashley Probart recently attended training for directors of small agencies. Based on the training, Executive Director Probart recommended that Board members keep a separate electronic file folder for FMSIB correspondence in case of a public records request. The FMSIB folder can then be shared without all other personal information on the computer, laptop, or phone being subjected to public disclosure.

Executive Director Probart introduced the new FMSIB Board member, Johan Hellman, and gave an overview of the appointment process. Governor Inslee's policy is to not retain board appointments for more than 10 years.

FMSIB BUDGET

Operating Budget: Executive Director reviewed with the Board that since the salary expenditure rate exceeded the appropriation, FMSIB had requested an amendment to the budget. The Legislature, however, denied the request and reduced the Operating Budget by $25K. That put the Operating Budget at $876K through June 30, 2015. The Board decided in March that the budget amount was not sufficient and asked the Governor to veto. The Governor honored the request for a veto which put the budget back to $901K.

Executive Director Probart's projection of the Operating Budget is still on target through the biennium. FMSIB has continued to be below projection for Goods and Services which are mostly fixed costs. WSDOT Labor & Services is the only variable budget item that fluctuates depending on how much we contract WSDOT to assist with FMSIB operations.

Transportation Improvement Board (TIB) has additional office space they are looking to fill otherwise OFM will require them to move. FMSIB staff met with TIB to assess for potential FMSIB office space. OFM supports this move as it will reduce the cost of relocating two agencies. Department of Enterprise Services architects are working on a proposal for reconfiguring the office space and we should know by May where we are going. The move will likely take place in March 2015 and will include a one-time relocation expense with increased monthly rent for next year's budget.

Several FMSIB employees are eligible for cashing out six weeks of annual leave upon leaving agency. Since this would be a significant hit to the budget, Executive Director Probart has now built into the budget the cost of covering one employee buyout.

Capital Budget: Executive Director Probart gave a brief overview of the active projects that intend to have expenditures this biennium, and he will give a detailed overview of all active projects at the November meeting. Executive Director Probart explained when the legislation passed one year ago, allowing FMISB flexibility to move monies among projects, our projects were no longer line-itemed in the Legislature's budget. Since the City of Seattle did not see their project line-itemed in the budget, there was some confusion about their project being deferred. Mr. Ziegler suggested that all projects be advised as well. Executive Director Probart indicated he planned to send a letter to all active projects introducing himself and reaffirming the dollar amount FMSIB committed to the project. FMSIB is appropriated for $31.5M and has spent about $7.7M, leaving a balance of $23M.

DIRECTOR'S REPORT

The 2015-2017 Supplemental Budget was distributed to the Board members. Executive Director Probart worked closely with WSDOT to prepare and deliver the document to OFM. This is the first year a strategic plan has been required. AP will continue to work with WSDOT to ensure we don't overspend within each biennium and to ensure the correct money source (State Gas Tax, Multimodal Funding, or one-time federal holdover monies allocated to certain projects from the Highway Safety Account) is being allocated to the various projects.

Executive Director Probart attended the City of Fife ribbon cutting for Port of Tacoma Road project and City of Des Moines South 216th Street Segment 1-A project.

Executive Director Probart continues to work with WSDOT on final comments for the Washington State Freight Plan.

The Annual Report is underway and the draft will be done prior to the November meeting and distributed for review.

Executive Director Probart is participating on the Freight Rail Assistance Programs and Freight Rail Investment Bank grant review team. Although the WSDOT administered grants are targeted for short-line rail, it is consistent with the FMSIB objectives.

Executive Director Probart made presentations before the California Transportation Commission and the Washington State Transportation Commission.

BOARD MEMBER REPORT

Chair Gatchet shared the letter he received from Port of Olympia regarding their Resolution 2014-07 aimed at addressing concerns and issues with the railroad infrastructure and rail car safety of trains in Washington State. Based on Board discussion and the Board motion in 2012, Executive Director Probart will draft a response to the Port of Olympia to include the 2012 Commodity Analysis white paper as well as the FSIB mission statement. Chair Gatchet requested a copy of the response be included in the November meeting books.

Mr. Pat Hulcey attended the City of Fife ribbon cutting for Port of Tacoma Road project. Several Board members attended the meeting in which BNSF Executive Chairman Matt Rose gave a presentation. Mr. Johan Hellman gave an overview of BNSF capacity improvements and its challenges. Mr. Geir-Eilif Kalhagen gave an overview of his meeting with Chairman Matt Rose and Port Directors.

LEGISLATIVE UPDATE

Senator King discussed transportation issues, maintenance and preservation, and suggested FMSIB continue to address how the agency positively impacts the economic growth by the movement of goods and people throughout the State of Washington.

PROJECT ACTION

Executive Director Probart gave an overview of Port of Longview's request to advance FMSIB previously committed monies ($3.45M) for the Bulk Facility Track Relocation project. This money is committed for the 2015-17 biennium; however, the Port of Vancouver is in a position to accelerate this project and would like to have the money available now to be spent through this biennium. The Port is willing to enter a clawback agreement if for some reason the project is not completed. Mr. Ziegler recommended we be clear in the claw back agreement that FMSIB is advancing money out of surety that the Port has funding sources for the expanded portion of project. Mr. Ziegler also suggested the criteria used to make this decision be clearly documented for future reference.

Mr. Brian Ziegler moved to approve Port of Vancouver's request to advance and obligate early previously obligated funds from the 2015-17 biennium into the 2013-15 biennium in the amount of $3.45M for the construction of the Bulk Facility Track Relocation project. Mr. Tom Trulove seconded the motion. Mr. Ziegler amended the motion that said advancement is contingent upon the Port entering into the agreement to repay the advanced funds if the project is not completed as proposed. Mr. Ziegler recommended a second amendment to include payment be consistent with existing FMSIB rules.
MOTION CARRIED

GOVENOR'S EXECUTIVE ORDER

Executive Director Probart reviewed Executive Order 14-14 with the Board. No policy change for FMSIB at this time.

ANNUAL REPORT UPDATE

Executive Director Probart indicated that the draft 2014 Annual Report will be distributed prior to the November 21, 2014, meeting for Board review with action to approve at the November meeting.

CITY OF YAKIMA PROJECT UPDATE/TOUR

Bob Desgrosellier gave a PowerPoint presentation of the completed projects that FMSIB contributed to, and the Board took a tour of several Yakima projects.

FUTURE MEETINGS

Executive Director Probart reported that the Suquamish meeting location was not available on July 16–17, 2015, however, was available on July 23-24, 2015.

Chair Gatchet entered a motion to move the July 16-17, 2015, board meeting in Suquamish, WA to July 23-24, 2015, Suquamish, WA.

Mr. Brian Zeigler moved and Mr. Pat Hulcey seconded the motion to move the July 16-17, 2015 meeting in Suquamish, WA to July 23-24, 2015.
MOTION CARRIED

Chair Gatchet entered a motion for the next meeting scheduled for November 21, 2014, in Everett, WA.

Mr. Brian Ziegler moved and Mr. Pat Hulcey seconded the motion that the next FMSIB meeting be held in Everett, WA on November 21, 2014.
MOTION CARRIED

Chair Gatchet adjourned the meeting at 12:00 p.m.

MEETING ADJOURNED

Dan Gatchet
Chair

Attest: Ashley Probart
Executive Director