

FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD
MEETING MINUTES

March 21, 2014
Kent, WA

Board members present: Mr. Dan Gatchet, Chair; Ms. Sheri Call; Ms. Robin Rettew; Mr. Mark Knudsen; Mr. Larry Paulson; Mr. Tom Trulove; Mr. Brian Ziegler; Mr. John Creighton; Mr. Pat Hulcey; and Mr. Terry Finn.

WELCOME: Chair Dan Gatchet opened the meeting with introductions.

MINUTES: Mr. Mark Knudsen moved and Mr. Tom Trulove seconded the motion to adopt the March 21, 2013 minutes.

MOTION CARRIED

FMSIB BUDGET: Deputy Director Ashley Probart reviewed the operating and capital budgets. The office relocation may be delayed for 8-10 months with no capital budget being passed during the 2014 Legislative session. Ms. Robin Rettew stated it is highly probable that FMSIB won't have to move this year, but there are some legislators pushing for the demolition of the building. Deputy Probart discussed the office move costs and the impact on the FMSIB budget with a probable spike the second year in the budget. The Deputy reviewed capital expenditures and stated that more billings should be coming in for those projects that have been completed.

Deputy Probart explained the status on the FMSIB operating budget from the transportation budget passed by the Legislature; and reviewed the project funding in the transportation capital budget.

DIRECTOR'S REPORT: Director Karen Schmidt reported on working with FMSIB projects; the Tiger grant process for 2014; Seattle request for a letter from FMSIB regarding heavy haul corridors; and a presentation to the Washington State Transportation Commission on NFAC (National Freight Advisory Committee) and WFAC (Washington Freight Advisory Committee) activities. The Director discussed the webinar FMSIB conducted on the Call for Projects explaining the application process and answering questions from prospective applicants.

Director Schmidt discussed the WFAC timeline which has been delayed by information gathering difficulties, but the plan is to have the final recommendations by the second week in April. The Director alerted the Board on the need to receive their approval today which will be discussed later in today's meeting.

The Director discussed the NFAC meetings most of which have been webinars, the accelerated process, and the next meeting in Washington, D.C. to go over barriers and best practices.

The Director reported on the South Park Bridge project which is targeted to come in under budget. Mr. Terry Finn discussed the need to use FMSIB money if the project is under budget. The Director explained the original directive on FMSIB money was last in money and FMSIB dollars cannot be used for sidewalks or bicycle paths. The project has had some delays and the numbers have not come in yet.

The Director discussed the supplemental budget reductions passed by the Legislature which reduced the FMSIB budget by \$80,000 for the additional position and \$25,000 for additional NFAC & WFAC expenses. The Director explained that FMSIB is a lean budget agency. The agency can try to cut back, but there isn't any extra money to make these cuts. Director Schmidt explained the status on the process and the potential need for a veto by the Governor. Mr. Finn asked about the process for state agencies requesting vetos. Ms. Robin Rettew explained the process for Office of Financial Management in making veto recommendations to the Governor.

Director Schmidt stated a motion is needed to send a letter to the Governor requesting a veto. Mr. Brian Ziegler moved and Mr. Larry Paulson seconded a motion to send a letter to the Governor requesting a veto of the \$25,000 reduction in the FMSIB budget.

MOTION CARRIED w/Ms. Robin Rettew abstaining.

Director Schmidt announced to the Board she will be retiring from FMSIB July 2014. Chair Gatchet commented on the Director's service to the Board since its inception in 1999.

Director Schmidt commented about the growth of the agency and FMSIB has taken on more than was initially envisioned when the agency was created.

Mr. Mark Knudsen discussed the significance of the Director's retirement and proposed that a formal announcement which should focus on what Karen has done with the agency and the contributions Karen has made to the freight community.

Chair Gatchet agreed with the formal announcement and the Board agreed to plan an event for the July Board meeting.

2014 LEGISLATIVE UPDATE: Deputy Probart discussed the impact of the Legislature not passing a capitol budget and the uncertainty of the office relocation. The Deputy discussed the highlights of the transportation budget and the reduction to the FMSIB budget. The Director explained that she had met with the Transportation Committee chairs last fall to discuss our budget request; the Governor included the increases in his budget; the Senate included the increases in their budget document, but the House indicated FMSIB needed to remain a 2-person office. Deputy Probart explained the process of how the reductions ended up in the final budget passed by the Legislature.

Mr. Larry Pursley, Executive Director of the Washington Trucking Associations, explained further the legislative activities on the transportation budget. Mr. Pursley commented on the Director's retirement and her service to the agency.

Mr. Larry Paulson suggested the Board arrange meetings with the Transportation Chairs to discuss the impacts of the reductions on the agency. Mr. Terry Finn suggested the agency may want to call the legislators to touch base.

Mr. Mark Knudsen proposed that the Board look at the FMSIB budget through the end of the biennium. Chair Gatchet indicated the July workshop and Board meeting would be the time for the review.

BOARD MEMBERS REPORTS:

Mr. Terry Finn discussed PSRC and the Pacific Gateway Study at Cherry Point. Mr. Finn stated that PSRC has hired a consultant to do the study and Seattle has already conducted a study. FMSIB did a white paper on commodities which is posted on the FMSIB webpage. Mr. Finn asked the Board if they would consider a letter again to support what Board has already done. Mr. Finn explained that the FMSIB position is consistent with what the port have said. Mr. Knudsen asked if this is more than the Pacific Gateway project. Mr. Finn reiterated that the study deals with the Pacific Gateway project.

Mr. Tom Trulove moved and Mr. Knudsen seconded the motion for the Board to do a letter of support. Mr. Paulson will abstain from the vote since he serves on the EFSEC Board who is looking at Vancouver.

MOTION CARRIED w/Mr. Larry Paulson abstaining.

Director Schmidt indicated a copy of the letter will be sent to each Board member.

PROJECT UPDATES/DEFINITIONS: Mr. Ziegler indicated the terms “delayed” and “deferred” are confusing. Mr. Ziegler discussed several terms used with the Projects such as: advance, delay, legislative appropriates, and board allocates. Mr. Ziegler introduced the terms “reactivate” and “inactive” in referring to projects. Director Schmidt explained with the new process delayed is moving the money with the project. Delayed is a timing issue. The Director discussed the process of project review and action by the Board. Mr. Ziegler discussed moving money within the biennium and between biennia.

The Director indicated staff will be working on definitions with the additions from the Board at the July Board retreat.

Director Schmidt presented project update information on several projects including: E Marginal Way truck access and the King County South Park Bridge project.

Ms. Rettew asked if there is a way to show a recap version with changes so the Board can see what has changed and track those changes. The Director indicated there will be a more in depth update at the May Board meeting.

WFAC: Chair Gatchet briefed the Board on the activities of WFAC. Deputy Probart discussed the WFAC document in the meeting book and a status on the components of the report being prepared.

Director Schmidt discussed a meeting with the Port of Tacoma and discussions with both railroads.

Mr. John Creighton stated that the industry pieces could be cleaned up.

Chair Gatchet explained that there will be one more WFAC meeting then the report will go to WSDOT. Director Schmidt explained WSDOT is developing the state freight plan and that the report is an advisory document only.

Ms. Barb Ivanov from WSDOT thanks FMSIB for the combined work on WFAC. Director Schmidt explained the statement was meant to be positive stating that more funding is the issue. Ms. Ivanov explained the timeline of the State Freight Plan which is pretty much done and within the week will be reviewed internally and then will go for public review.

Ms. Suzette Cooke, Mayor for the City of Kent, was introduced and welcomed the Board to the City of Kent. Mayor Cooke spoke briefly about the City; its geographical makeup; and the issues the city handles.

Deputy Director Probart will be receiving any Board comments along with the discussions from the Board meeting.

Board Chair Gatchet explained the large variety of input that has gone into the WFAC report. Deputy Director Probart noted the comments of the Board to be incorporated into the draft.

Mr. Paulson moved and Mr. Ziegler seconded the motion to accept the draft recommendations of WFAC incorporating the comments of the Board. Deputy Probart explained that an electronic review of the recommendations will be sent to the Board. Chair Gatchet stressed that there is a tight timeline with WFAC scheduled to meet in a couple weeks. Ms. Ivanov discussed the aviation section including a reference to WSDOT with a more positive spin. Ms. Ivanov asked if there is a role for funding for warehouses. Director Schmidt stated this language was meant to read that aviation needs more funding and stated that this section can be reworked.

MOTION CARRIED

CITY OF TUKWILA STRANDER PROJECT: Mr. Bob Giberson from the City of Tukwila gave a PowerPoint presentation on the status of the Strander Project.

Director Schmidt stated that this project is in the 2015-17 biennium when the project will be requesting funds. This project will complete the entire area. Some of the funds will have to be moved forward.

CITY OF KENT PROJECTS: Mr. Tim LaPorte opened the discussion with introduction of three City of Kent Councilmembers – Mr. Dennis Higgins, the Public Works Chair for the Council, Ms. Dana Ralph, President of the Council, and Ms. Brenda Fincher.

Councilman Higgins presented an update on the Kent FMSIB projects. Councilman Higgins discussed the impacts from freight on the City of Kent stating it is a regional issue. He discussed actions Kent has taken to solve these impacts. Kent needs regional help to address these issues. Councilman Higgins discussed the work being done to help fund these projects.

Director Schmidt asked what the chances are the Kent will acquire the 2/3 funding needed for these projects and FMSIB needs to see some movement with these projects. The Director stated that UP deadline is 2015 on it funds and they have no plan to renew.

Councilman Higgins asked the Board to look at the movement Kent has already made and explained those movements that the Council has already made.

The President of the Kent City Council stressed the importance to the community stating that the Council is diligently working to put resources into these projects.

Mayor Cooke asked the Board what they would be looking for by the May meeting. Director Schmidt stated that the first question is what to do about the \$2.4 from 228th. The Board will need to decide to move the funds or defer the project. The 212th project issue has the potential loss of UP funds.

Mr. LaPorte discussed an LID where \$16 million went to the 228th project and transportation impact fees. The problem is the recession hit. Doug Levy, lobbyist for the City of Kent, commented on the geographical aspect that presents multiple issues in the transportation area for the Kent Valley.

Mr. Ziegler asked Kent if they have considered transportation benefit district. Councilman Higgins indicated the Council has considered this several times.

Mayor Cook asked the Board to look at the impact the BN Coal trains are having on the city and asked FMSIB for assistance on the federal level.

Director Schmidt stated that 228th is on the WFAC project list.

Mr. Finn reported that the length of the trains are not much different for coal shipments; and the train traffic is still less than it was in 2006.

CALL FOR PROJECTS UPDATE: Mr. Brian Ziegler reviewed the seven projects submitted for the 2014 Call for Projects. Mr. Ziegler discussed the process and listed the members of the Project Selection Committee. There is a fast track for the Call with Board action scheduled for the May 30 board meeting.

Deputy Probart discussed projects that are potential for future Call for Projects – potentially 15-20 future applications.

WASHINGTON DC MEETINGS: Chair Gatchet discussed a small group from FMSIB members will be going to Washington, D.C. May 19-23. They will meet with the Washington Delegation on the WFAC report. The group will report back to the Board at the May 30 meeting.

FUTURE MEETING: Chair Gatchet asked for a motion for the next meeting scheduled for May 30, 2014 in Vancouver, WA. Mr. Paulson moved and Mr. Ziegler seconded the motion that the next FMSIB meeting be held in Vancouver, WA on May 30, 2014.

MOTION CARRIED

Chair Gatchet adjourned the meeting at 1:00 p.m.

MEETING ADJOURNED



Dan Gatchet
Chair



Attest: Karen Schmidt
Executive Director