

Appendix Volume

# **Freight Mobility Strategic Investment Board**

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1998 Activities & Recommendations Report



## **1998 FMSIB Members**

Daniel O'Neal, Chairman

Clifford A. Benson, Vice President, Westwood Shipping Lines

Barbara Cothorn, Councilmember, Snohomish County

Bob Edwards, Councilmember, City of Renton

Jennifer Joly, Executive Policy Advisor, Washington State

David Kalberer, Manager, Regional Transportation, Port of Seattle

Don Lemmons, President, Interstate Wood Products

Sid Morrison, Secretary of Transportation, Washington State

Carol Moser, Councilmember, City of Richland

Patricia Otley, Director Government Affairs, Burlington Northern Santa Fe Railroad

Mary Seubert, Commissioner, Kittitas County

Jim Toomey, Executive Director, Port of Pasco

Denny Ingham, Acting Executive Director



## Appendix Volume

# Freight Mobility Strategic Investment Board

## 1998 Activities & Recommendations Report

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# **Section A**





# **FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD**

## **MEETING MINUTES**

**July 29, 1998**

**WestCoast SeaTac Hotel – Seattle Room  
SeaTac, Washington**

The first meeting of the Freight Mobility Strategic Investment Board was called to order at 9:00 a.m. by Chairman Dan O'Neal. Board members present were Mr. Clifford Benson, Councilmember Barbara Cothorn, Councilmember Bob Edwards, Ms. Patricia Otley, Ms. Jennifer Joly, Mr. David Kalberer, Mr. Don Lemmons, Councilmember Carol Moser, Mr. Sid Morrison, Commissioner Mary Seubert, and Mr. Jim Toomey. Also present was Ms. Jenny Browning from the Assistant Attorney General's office.

***WELCOME AND INTRODUCTIONS:*** Chairman Dan O'Neal welcomed the board and asked members to introduce themselves. He also introduced two special guests, Senator Eugene Prince, Chair of the Senate Transportation Committee, and Representative Karen Schmidt, Chair of the House Transportation Committee. They each addressed the board on the Legislature's perspective and the intent of this board. Mr. Dennis Ingham introduced the staff present from Washington State Department of Transportation (WSDOT) and Transportation Improvement Board (TIB).

Chairman O'Neal spoke briefly on the freight mobility issue in this state. Washington's success as an international freight mover is due largely to its efficient freight mobility network. Swift movement and timely deliveries contribute toward keeping transportation and trade costs low, which ensures the state's competitive role in world markets. Since as much as seventy-five percent of the trade that flows through Washington could easily be diverted to other West Coast states, the preservation of the state's mobility network is critical to Washington's continued economic health and future growth.

The process of understanding that there is such a thing as freight movement in this state has been recognized by the people in the freight business who provide transportation or who pay for it. He mentioned that several years ago there was a session put on by WSDOT that addressed the question raised by the legislature on why don't we just shut down the delivery of freight during regular working hours. If we do that, we could alleviate a lot of the congestion problems on our highways. After a session examining some of the issues, it was determined that you could shutdown all of the truckers on the highway, but it still wouldn't have an effect on the movement of vehicles on the highways. Truck traffic amounts to 4% to 7%.

Freight is a very important aspect of transportation. It has been often stated that freight doesn't vote, so therefore it doesn't get the recognition. After some consideration, people began to realize, while it doesn't vote as such, freight does involve the movement of Washington's products into and out of this state, and means jobs. An efficient freight system is essential to the economic vitality of this state. Washington is more dependent on trade than that of any other state. The growing economy is highly dependent on the success of the state's transportation network. The state legislators recognized that the safe, reliable, and efficient movement of freight is important to the state's economy. In the 1998 Session, the legislature passed ESHB 2615, which created the Freight Mobility Strategic Investment Board for the purpose of reviewing and recommending funding, on a prioritization basis, for freight mobility transportation projects that are of strategic importance to the state of Washington.

**REMARKS FROM SENATOR EUGENE PRINCE, CHAIR OF THE SENATE TRANSPORTATION COMMITTEE:** This project that this board is undertaking is critical to the future of the state of Washington, not only to those involved, but economically as well. I'm sure you are all aware of the increased traffic that has been coming out of Asia and how the long trains out of the ports tie up traffic. Traffic separation is very important. All of you are aware, we are in competition with Long Beach, California. This city is ahead of us. They've been working on selling the public and they've got it funded. They have started digging a 20-mile trench. The railroad will be located on the bottom with bridges across the top to move the traffic. This allows the freight to move out of the port without impeding traffic or the trucks coming into the port. This is something that Washington is way behind on. We are aware of the problem and the increase in traffic. We have to take an active approach to traffic separation in order to move our goods to ensure the economic viability of this state and our citizens. There is one important aspect of this Board's mission which is not mentioned in the bill, and that is educating the public as to this need. One of the difficulties the Legislature has in approaching this is getting people that understand what the need is to justify the amount of money it is going to take to do this. In the initiative that is up to the vote of the people this fall, there is \$300 million set aside to help; however, that isn't going to begin to do the job. We need the cooperation of the cities, counties, public and private sectors, and the state all trying to share if we are going to get the money put together to resolve this. If you fail and do not get this traffic separation problem accomplished, not just out of the Ports of Tacoma and Seattle but throughout the state, people will be upset. The idea of only allowing truck traffic during certain times of the day may get political clout, and that does not solve the issue at hand. The Legislature needs this board's help to try and give a forward push with the needs that we know are there. There is universal support in both houses to try and resolve this and to maintain and enhance the economy of this state and those people who are working within the state who provide that economy.

**REMARKS FROM REPRESENTATIVE KAREN SCHMIDT, CHAIR OF THE HOUSE TRANSPORTATION COMMITTEE AND PRIME SPONSOR OF EHB 2615:** Representative Schmidt reviewed the background that prompted the current legislation. The state was starting to lose market share. There was a great deal of competition from Long Beach and the Alameda

Corridor, and closer to home; the Delta Port, which was also planning some competition for shipping in this area. We were seeing a loss of market share. We are the most trade dependent state, and this obviously was a great concern for us, and the legislature felt they had to be very aggressive in moving forward on a freight solution. We also recognized that the partners were all concerned about trying to solve the problem. There wasn't a way to bring everyone together to maximize not only our ability to work together, but to also maximize our dollars and leverage each others' money to come up with some real solutions that would be more than just cosmetic, but would take on those big projects that we know are really hurting us economically. This partnership is between all the players who have come to the table to put this program together.

Over the last three years, the guidance from the cities, counties, ports, the railroads, the private sector, the users, and the beneficiaries of the freight movement has been invaluable in trying to come up with what this core program should do. The legislature recognized very early on that this is not a one-time only project. This is the beginning of an ongoing project for this state. We will always have to be concerned with the movement of freight, and while we may solve many of our larger problems in the first six or twelve years, there will be a continuing challenge for this state to make sure that we don't have any of our trade corridors clogged. The task of this board is a little daunting. This board has to decide how to establish where the strategic freight corridors are, and what is going to work for everyone. This board must decide where the strategic corridors will be located, how to pay for them, and who is going to pay for what share. That will not be an easy task.

The first step was to create a board that was independent and have the visibility focusing solely on freight movement needs. Having this unique partnership where everyone around the table has a checkbook and they can help solve the problems, not only through their decisions, but helping to fund it. The Legislature is prepared to place a sizeable number of dollars into this program to leverage what the locals, private sector, the port have, and what is coming from TEA-21. That was the one partner that wasn't involved in most of the discussions, because no one knew if we were really able to convince Washington D.C. that freight movement was an issue that they needed to be concerned with, because it was also the economic vitality of the country. They now have identified some dollars for freight and have looked at things like our border crossings. Last session, the Legislature identified around \$400 million out of a \$2.4 billion budget that we wanted to see placed in the pot for freight solutions to start this program, leverage other dollars, and to begin the work necessary. That was divided almost equally between the state's portion, as well as the local government's portion. They wanted to make sure as they moved forward there wasn't a situation where a small town or a county would not have the resources available to pay their share, therefore, the project would be delayed. They wanted to be sure there was some money so they could move forward with these projects. That was the assistance, not only for local governments, but also for the state to have its share and be ready to go.

The formulas that the board creates are very important. They have to work on the large projects, as well as the small ones. They have to work in Eastern Washington, as well as Western

Washington. They have to be predictable and fair to everybody. That is not going to be a small challenge to take on. The beginning of any board or organization is the hardest challenge of all. The rules that the board is going to establish are ones that are going to have to work, not only for the next six years, but for each of the subsequent times that we will be looking at the freight issue and putting more money in. The formulas and methods the board comes up with and how the projects will be selected and how to phase them will be very important to the legislature, not only to be able to sell this plan, but to ensure it is fair and equitable. This must be supported by the local governments, state governments, private sector, ports, everyone. These formulas have to make the best investment of our dollars.

When the board determines, not only what projects will be selected and what order, the legislature is asking how the cost is going to be determined and who are the beneficiaries. How much should each of the beneficiaries pay for their share of the benefit? These dollars need to be spread as far as they can and actual movement issues. Anyone that wants to put landscaping around these projects can do it on their own. As the board determines how to come up with the percentage, it has to work in a number of areas. Your job is to not only select the projects, but also what order they go in, and who is going to have to pay what share. That has to work statewide, on both the East and West side.

There has to be participation from all the partners. The Governor's proposal was a 20% share; however, it was felt that was too rigid.

One of the major projects that need to be funded is the snow shed over I-90. The closest community is Easton, which can't possibly pay their fair share of that massive project. The formulas that are developed have to come up with situations such as Easton's. Small communities such as Algona will have an extremely high impact by some of the freight movement, as in the case of Easton. However as the board determines the formulas, it has to factor in the small communities who do not have the resources to come up with large amounts of money. There are some areas that have ports that can participate, while in other areas that do have a port present but can't contribute large sums.

The predictability has to be one of the things this board needs to focus on. As long as everyone knows what the rules are, they will be able to continue to support the board's efforts and continue to work together to come up with the solutions, because they know what the rules are going to be. The more we are able to spread the costs and have as many partners as possible, more projects further down the list can be funded. There is a list that has already been put together; we can get partway down the list, even with an aggressive program. However, there are still a lot of projects that can't get funded. The more the dollars can be spread and the more partners we can bring in, the farther down the list we can go. And as various communities can see the success of this program and some of the problem areas solved, there will be additional support of this program.

If this program is a success Washington will continue to have a robust economy. If it is not, our Eastern Washington grain shipments and Western Washington's mobility will be affected.

Sid Morrison expressed, on behalf of the board, appreciation for Senator Prince and Representative Schmidt for their leadership and efforts in getting this program moving. He also reiterated, that this board has to determine the needs and to come up with lists of potential projects before the legislature can act. Representative Schmidt responded by saying that there is already a list compiled and is much larger than can be taken on in six years, which everyone is aware of. The cheaper the projects and the more partners involved, the more projects that can be funded. The Legislature prefers to know what they are paying for. If they know that in the next two years these are the projects that will be the first to get funded, at least they know what they are going to be paying for and what they can anticipate. This list is not cast in stone and can be modified as needed. There will be some projects that will come and go, and some that will move higher up the list. As an example, if there happens to be a draw down of the Columbia River, this Board needs to be prepared to act. It would be disastrous for this state if shipments could not be moved down the river. This is not a one-time only shot; this is an ongoing program.

Chairman O'Neal asked Representative Schmidt if the criteria that is mentioned in the legislation meant to be followed rigidly by this board or do we have some flexibility. Representative Schmidt commented that they were trying to get this legislation passed two years ago. In trying get keep the visibility of freight mobility high, the Freight Mobility Advisory Committee (FMAC) was formed by the Legislative Transportation Committee (LTC) to come up with findings and recommendations, which they did in 1997. The FMAC came up with policy directions and an unranked project list. That doesn't mean that that group's recommendations or the list of projects that were developed limits this board. As the board develops guidelines of how projects are selected, perhaps the board may want to go back and see if those projects already selected meet the criteria established by this board.

Chairman O'Neal asked Jennifer Joly to share what the Governor's perspective is regarding this board and what we have been mandated to do. She noted that the Governor is very supportive of this program because it is so vital to trade and our economy. He recognizes the importance of leveraging funds and partnering.

***WHY ARE WE HERE?*** Chairman Dan O'Neal provided a few comments regarding what lies ahead for this board. We are here to take a look at the broad picture of freight transportation in this state. This is a long-term program, not just a one-year program. This board needs to think in terms of laying the framework that will be in place for many years to come. Fortunately, we don't have to start with a blank slate. There has been a tremendous amount of work done prior to the formation of this board.

***BACKGROUND OF FREIGHT MOBILITY WORK TO DATE:*** Ms. Kjris Lund, Principal of Lund Consulting, provided the board with some background of the work that has been done to

date on the freight mobility issue. During the 1996 interim, the LTC appointed the FMAC to analyze the state's freight mobility needs, identify high priority freight transportation projects, and make policy recommendations to the legislature. The FMAC recommended the state take the lead in establishing a freight mobility transportation program based on forgoing partnerships among all the interested parties to fund improvements along strategic freight corridors.

During the 1997 interim, the Freight Mobility Project Prioritization Committee (FMPPC) was established to recommend specific criteria for use in ranking freight mobility projects. The FMPPC also applied that criteria to proposed freight mobility projects and established the statewide freight mobility project list. The criteria for eligibility that was developed included freight mobility for the project area, region, state, and nation (reduced delays, increased capacity); general mobility (reduce queuing and backups); Safety (reduce railroad crossing accidents, improve emergency vehicle access); increase freight and economic value (access to key employment areas, improved mainline rail); environment (reduce vehicle emissions, train whistle noise); partnerships (public and private sector participation, critical timing of investment); and consistency with state and regional plans, cost effectiveness and special circumstances.

In the 1998 Legislative Session, the Washington State Legislature passed ESHB 2615. This bill created the Freight Mobility Strategic Investment Board (FMSIB) for the purpose of reviewing and recommending funding, on a prioritization basis, for freight mobility transportation projects that are of strategic importance to the state of Washington.

***FUTURE TASKS:*** Denny Ingham reviewed a flowchart of the tasks the board needs to undertake. The following are the tasks that were identified: Rules and procedures; Executive Director for the Board; possible funding of freight studies; Budget Process; Determining state share (a committee will need to be appointed to select consultant); Requesting FMPPC project updates; and Present to legislature a prioritized project list. This list will be continually modified to reflect items the board will need to complete.

***BOARD BY-LAWS:*** Jerry Fay, Executive Director of the Transportation Improvement Board reviewed a draft of the Freight Mobility Strategic Investment Board bylaws. He noted that a copy of the bylaws have been reviewed by Ms. Jenny Browning, Assistant Attorney General. The board discussed the possibility of establishing an Executive Committee to handle day-to-day issues that cannot be delayed until the next board meeting and other such duties as assigned by the board. It was noted that all committee actions will be reported at the next board meeting.

*Moved by Mr. Morrison, seconded by Councilmember Moser to amend the bylaws to include a section that would establish an Executive Committee to handle day-to-day issues and other duties as assigned by the board.*

***MOTION CARRIED***

The following are the remaining changes the board made to the bylaws:

ARTICLE II – Officers of the Board

Section 1, (b), Vice Chairperson - The board added the wording “two-year term”

ARTICLE III – Time and Place of Meetings

Section 1 – Regular public meetings of the board shall be held on the third Friday of every month in SeaTac, Washington.

Expenses of the Board

This section was stricken from the bylaws. There will be agency request legislation submitted to the 1999 Legislature that would enable the expenses of the board to be covered.

ARTICLE X – Conduct of Members at Board Meetings

The first sentence was changed to “declare their relationship to a project”.

The changes will be made to the bylaws and will be brought back to the board for adoption at the next meeting.

Mr. Morrison brought up the issue of staffing of this board. After considerable discussion, it was decided to use the existing staff from WSDOT TransAid, TIB and County Road Administrative Board (CRAB). The legislation does specify that the board must hire an executive director. Chairman O’Neal appointed the following members to a committee to look at the process the board will take to hire an executive director and to develop a job description: Councilmember Barbara Cothem, Chair, Mr. Cliff Benson, Ms. Jennifer Joly, Commissioner Mary Seubert, and Mr. Jim Toomey.

*Moved by Ms. Otley and seconded by Mr. Kalberer to appoint Mr. Dennis Ingham as acting Executive Director of the Freight Mobility Strategic Investment Board until that position is filled.*

**MOTION CARRIED**

**DETERMINING STATE SHARE FOR FREIGHT PROJECTS:** Ms. Lund reported that the purpose for having this on the agenda is to make the board aware that this is an issue that will have to be dealt with at future board meetings. The board will have to adopt rules that give preference to projects that contain the greatest levels of financial participation from non-state freight-program sources. Chairman O’Neal appointed the following committee that would define some alternative approaches in determining the State’s share for freight projects: Councilmember Bob Edwards, Chair, Mr. Dave Kalerer, Mr. Don Lemmons, Councilmember Carol Moser, and Ms. Patty Otley.

Mr. Dennis Ingham reported that the board needs to take action to extend Ms. Lund's contract since she has worked extensively on the freight mobility issue.

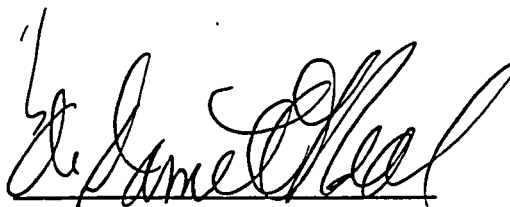
*Moved by Mr. Toomey, seconded by Commissioner Seubert to authorize the extension of Ms. Kjristine Lund's contract and to give the committee appointed authorization to develop a scope of work to determine state's share.*

**MOTION CARRIED**

**MEETING SCHEDULE/FUTURE AGENDA ITEMS:** Chairman O'Neal stated that the meeting schedule of the FMSIB has been set for the 3<sup>rd</sup> Friday of the month. The Board expressed an interest in two items for future agendas: the first is a briefing by Mr. Jerry Lenzi, WSDOT Eastern Region Administrator and/or Mr. Ken Casavant, Professor at WSU on the Columbia River draw down. Another item of interest to the board is to have Ms. Jerry Ellis provide a list of studies completed on freight mobility. Mr. Sid Morrison suggested that staff develop some performance measurement recommendations that would show the public the value and benefits of the completed projects. Mr. Ingham reported staff will provide the board with a process to develop performance measurement, at the next board meeting.


The next scheduled meeting of the Freight Mobility Strategic Investment Board is August 21, 1998, in SeaTac.

**MEETING ADJOURNED 2:37 p.m.**



**A. DANIEL O'NEAL, CHAIRMAN**

**ATTEST:**



**DENNIS B. INGHAM, ACTING EXECUTIVE DIRECTOR**



# FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

## MEETING MINUTES

August 21, 1998

SeaTac International Airport - Large Conference Room  
SeaTac, Washington

Board members present were Ms. Patricia Otley, Mr. Don Lemmons, Mr. Cliff Benson, Ms. Carol Moser, Mr. Bob Edwards, Mr. David Kalberer, Ms. Mary Seubert, Ms. Jennifer Joly, Mr. Sid Morrison, and Acting Executive Director Mr. Dennis Ingham. Board members absent were Ms. Barbara Cothorn and Mr. Jim Toomey.

**WELCOME AND INTRODUCTIONS:** The Freight Mobility Strategic Investment Board was called to order at 9:00 a.m. by Chairperson Dan O'Neal. Chairperson O'Neal welcomed the board, and introduced Mr. Jeff Doyle, LTC.

**MINUTES:** Board reviewed minutes from the previous meeting on July 29, 1998. Chairman O'Neal asked for the approval of the minutes.

*Ms. Moser moved, Mr. Edwards seconded to approve the minutes from the July 29, 1998 meeting.*

### **MOTION CARRIED**

**BUDGET PROCESS:** Ms. Helga Morgenstern, WSDOT Deputy Assistant Secretary of Finance and Administration, distributed a handout listing the requirements from ESHB 2615 statute. She explained that the board is directed to establish an administration and program staffing budget. Also, the budget has to be presented to Office of Financial Management (OFM) and LTC by December 31, 1998. OFM has requested the Board submit their budget by October 31<sup>st</sup> even if it is a draft. This will allow the Governor to include the Board's request in his proposal to the legislature, on December 20<sup>th</sup>.

Another item to consider is in September, OFM will come out with the Current Biennium Supplemental Budgets. The supplemental budgets need to be over at OFM by the end of October. The supplemental budget allows the Board to begin prior to the 1999 -01 budget's effective date of July 1, 1999.

Currently the Board has \$175,000 appropriation from the motor vehicle fund in Mr. Ingham's budget, to pay for operating expenditures of the board. Mr. Ingham explained this appropriation is primarily reimbursement for consultant services, materials, room rental, etc. The Board's staff and support is being absorbed from other agencies budgets. Ms. Joly also explained that currently FMSIB budget goes through WSDOT, but in future there would be a direct appropriation to the Board.

Mr. O'Neal stated the FMSIB organization would have a function whether Referendum 49 passes or not. The concept of what the board is doing, setting priorities and identifying freight corridors, would not change. Also, the Board would make grants or loans, to the owning entities, with agreements pertaining to the projects. Mr. Morrison explained FMSIB will send a list of projects to legislature in priority order with details explaining how we ranked them. We are challenged to figure out the benefits for the tax payers, and the cost to the tax payers. The theory is if a project can get partners to buy down the cost but don't change the benefit, their ratio is dramatically improved.

Mr. Kalberer asked if the Board could have an Executive Director, Administrative Assistant, and contract with one of the agencies already in the business of making grants such as TransAid, CRAB, or TIB. Ms. Morgenstern said that the Board was charged with administering a program and that the level of in-house staff vs. contracting staff is up to the Board to determine. This will need to be recognized in the budget as a cost of doing business. There needs to be a level of staff support to make the program work. Whether that is with existing agencies or you use your own staff, is a decision that the board has to make. Mr. Doyle stated the original concept was not to create an agency with a lot of staff. Mr. Ingham added the projects submittal to the legislature isn't until January. However, the Board's budget submittal to the Governor in October will reflect your decision on the amount of staff you want.

**BOARD BY-LAWS:** Mr. Rod Diemert, TIB, explained that at the last meeting the Board requested staff to amend some of the by-laws. The Assistant Attorney General (AAG) has also reviewed these changes.

*Ms. Moser moved, Ms. Joly seconded to amend Section II of the by-laws to read "the week prior to" to allow the Board members time to absorb the material for the meeting.*

*Mr. O'Neal moved, Ms. Moser seconded to amend Section IX language to "The chairman may establish administrative committee subject to approval of the board to handle day to day issues..."*

*Ms. Joly moved, Mr. Lemmons seconded to amend Section X language to "A Board member shall not be the official spokesman for any project to be presented to the board."*

*Mr. Morrison moved, Mr. Edwards seconded to approve the by-laws as amended.*

### **MOTIONS CARRIED**

Mr. Diemert referenced Section 1 Article III that there is an annual requirement for the Board to adopt a calendar showing time, date, and location of board meetings for the following year, by December.

**WAC's:** Staff recommended the Board operate under the amended by-laws until the Emergency WAC's are adopted after the November election.

*Mr. Morrison moved, Ms. Moser seconded for the Board to operate under the by-laws adopted and proceed with the preparation of the Emergency WAC's to be put in place later this year*

### **MOTION CARRIED**

### **SUBCOMMITTEE REPORTS**

**Executive Director:** Mr. Cliff Benson stated when the subcommittee teleconferenced they questioned whether the Executive Director was to be a dealmaker or an administrative person. The subcommittee has reviewed the qualifications and the salary with WSDOT Human Resources. The Director will be part of the Board's budget. Our focus was to have the Executive Director by the end of the year. There was concern raised on recruiting a person before the November election results. However, Ms. Joly explained the bill states the Board needs to appoint an Executive Director. The bill also gives the Board discretion in terms of the Executive Director duties and the Board functions and policies. Mr. Morrison agreed and encouraged the Board to proceed.

Many items were raised on qualifications for the Executive Director such as: advocate for freight mobility, Board policies, administrative skills, ability to work with local governments and public officials, budget experience, outreach facilitator, and policy development background. Mr. Ingham expressed the Department of Personnel believed the salary should be around \$80,000 instead of \$90,000. However, that was just guidance and the Board has the authority to determine the salary. Mr. O'Neal reminded the Board the legislature wanted them to focus on freight mobility and to think in terms of longterm policies, advocating policies, and establishing the freight corridors. The Board's decisions will be forwarded to the legislature, who will give it approval or not. The Board was in agreement that they won't require a large staff. The Executive Director will need to carry out administrative tasks, and work with other agencies (i.e. state, local, MPO, etc.) within the state.

**State Share:** Mr. Bob Edwards introduced Ms. Kjris Lund to give the background of State Share to the Board. Ms. Lund stated the purpose of this item is to see what route the Board will go in terms of state share. The evaluation of the state share is required in the legislation. The Board is obligated to deal with the appropriate part of the state funding share and to be critical in your thinking. The legislature wants you to look at the projects, evaluate them, and to have a basis of rationale for how you concluded the amount of state funding for each of the projects. That was this subcommittee's focus.

The Board needs to adopt (1) a motion stating your intent for the partnership piece, and (2) approve hiring a technical consultant to assist in conducting this evaluation.

Ms. Lund explained the legislature wants the Board to defend the amount of state money recommended for each project. The partnership piece is a way of showing the legislature how the projects leveraged funding. We are trying to look at this technically, what are the freight needs and then add this partnership piece.

*Mr. Morrison moved, to amend the motion to read "The Freight Mobility Strategic Investment Board recognizes the state's freight mobility program is distinguished by its emphasis on partnerships. The Board will place a great emphasis on partnership participation in forming its recommendation about the freight mobility program funding share for each project it recommends to the legislature for funding. While the law specifies in most cases the minimum non state participation would be 20%, the magnitude of partnership participation would be a major element in the competition for Freight Mobility funding shares. Those criteria will include an evaluation of the return on investment for the state's freight mobility program funding share for each project; benefits to the strategic freight corridor system of the state; the commitment of partners; the financial participation of project beneficiaries, project staging and readiness and other such criteria that will ensure that state freight mobility funds are allocated to leverage the greatest amount of partnership funding possible." Mr. O'Neal amended the motion to read "...non-program participation..." Mr. Morrison moved to amend, Ms. Moser seconded.*

**MOTION CARRIED**

Ms. Lund explained that if the Board passes the motion, Mr. Ingham would send a letter to the project owners and have them go back to their partners and let them know the intent of your Board. Mr. O'Neal stated the idea is 20% for the minimum but if you want a better shot then increase the partnership.

*Mr. Benson moved, Ms. Moser seconded to hire a technical consultant to assist in evaluating partnerships based on the criteria to be developed.*

**MOTION CARRIED**

The Board discussed the need for consultant help to evaluate what portion of these projects should be funded by this program.

*Mr. Benson moved, Ms. Moser seconded to authorize the Acting Executive Director to proceed with the process of hiring a technical consultant to assist the board in it's evaluation of partnerships.*

**MOTION CARRIED**

Mr. Ingham suggested a subcommittee consisting of Mr. Edwards, Ms. Lund, and himself to interview for the technical consultant. The selection was delegated to the subcommittee chair, Mr. Edwards.

Mr. O'Neal referenced back to the previous discussion of the Executive Director. He surmised that the Board wants someone who has administrative capabilities, knows how to deal with a budget, supervise staff, has the personality and the knowledge to work with other state agencies and various other public and private organizations, who can represent the Board when called upon, who can look at the criteria the Board has established and move forward in the direction of the board, facilitate proposals within the Board's guidelines, the ability to assist the Board to look strategically at their ideas and help set strategic objectives. Mr. O'Neal asked staff to revise and distribute to the Board for comments. Also have staff forward a copy of the revised announcement to Department of Personnel to ensure the salary range is applicable.

*Mr. Benson moved, Ms. Joly seconded to have staff re-draft the employment opportunity for the Executive Director from the Board's comments and to forward the revised announcement to the Board, then proceed with advertisement.*

### **MOTION CARRIED**

The Board expressed having staff get the announcement to the various associations represented and local and national publications.

**COMMUNICATION:** Mr. Ingham explained how freight mobility and the progress of FMSIB is becoming a hot topic. With this in mind staff is working on using the internet to disseminate this information.

Mr. Jay Armstrong, Deputy Director of County Road Administration Board (CRAB), discussed the announcement of the Board's web site that was established 8/20/98. Mr. Armstrong explained that the site will include meeting notices, agendas, approved minutes, etc. Any suggestions are encouraged and staff is looking for feedback. Staff believes this will be an efficient way for the public to access information about the FMSIB. Staff will be keeping this current and they are continuing to work on a logo.

Mr. Ingham stated the September 18, meeting will begin at 10:00 a.m. at the Doubletree Hotel. Staff has scheduled October through December meetings to all be at the WestCoast SeaTac. The October meeting is being scheduled with the Transportation Commission. The Commission will be joining you to discuss mutual issues of concern. Mr. O'Neal has talked with some of the Commissioners and they are interested in meeting with the members of this Board.

Mr. Ingham is continuing his work on the Board's performance measures. Mr. O'Neal suggested that in terms of timing that the Board agree on developing performance measures prior to legislative session. It will explain to those watching how the Board is progressing and it gives them an opportunity to comment.

There was discussion on Referendum 49. The beneficiaries, who is impacted, and assumptions that are being made. Mr. O'Neal expressed one of Senator Prince's hopes is that this Board will assist in advertising to the public the need for transportation funding.

***STRATEGIC FREIGHT CORRIDORS:*** Ms. Lund referenced the chart showing the Board's tasks and timeline. The Strategic Freight Corridors are scheduled to be adopted in November. To assist Ms. Lund are Mr. Alan Harger, WSDOT, and Mr. Roger Johnson, HDR. Strategic Freight Corridors are the beginning of what the Board's all about. The principal behind this program is that fixing problems on these corridors will improve the freight mobility system. There has been a lot of work done previously with FMAC, FMPPC and EWFMAC. The issues of strategic freight corridors was integrated into the criteria for the project applications. The corridors themselves also have a process of being designated. There are three key factors: (1) they must serve international and domestic interstate and intrastate trade; (2) enhance the state's competitive position, and (3) they are required to meet tonnage's for each of these routes. The maps in your books do not reflect the updates completed by HDR for the EWFMAC or the current updating process that WSDOT is completing.

There was concern by the Board of being too strict in identifying these corridors and not being open to an emerging corridor. Ms. Lund agreed that they want flexibility but not so much so that the strategic focus is lost. Mr. Greg Selstead, WSDOT, explained where they are in the process of updating the Freight Goods Transportation System (FGTS) and some of the background. WSDOT is compiling the information and will come back to the Board and present the information at the same time they present to the Transportation Commission.

***PROJECT PRIORITIZATION CRITERIA:*** Ms. Lund explained that the legislation forwards the FMPPC project prioritization criteria to the Board. All the projects the Board will review have been prioritized by the criteria. The criteria of a project having a total public benefit to total public cost ratio equal to or greater than one based on WSDOT's benefit cost ratio, however was not applied to these projects. This was explained by the committee's thought that this program would be on-going and the time frame FMPPC had to work with didn't allow for this item to take place.

Staff has started to collect more information on the projects that were submitted last year, and that information may change the ranking of using the criteria that we are going to go through, because information has changed. WSDOT staff worked with the experts in the field to determine the principals necessary in designing a ratings program that made sense. Quantitated information was preferred over qualitated information. The data being requested should be readily available or obtainable by most applicants. With geographic balances being one of the last steps in funding selection process.

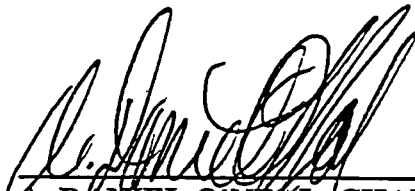
In the end the total scoring system added up to 178. The criteria is as follows:

- Improving freight mobility to the project area; measured primarily by looking at the reduction of truck delay or reduction in train rail car delay, and increased capacity in peak hour movements.
- Freight mobility for the region, state and nation; the importance to the regional freight system, the regional economy, the state, and access to ports or border crossings.
- General mobility; came in part with the freight impacts on local communities.
- Safety; the measurements looked at reducing railroad crossing accidents, general accidents and providing emergency vehicle access.
- Freight and economic values; access to key employment areas.
- Environment; finding a way of comparing various carrier noise along corridors. It is a federal and state requirement to have a train blow a whistle when it crosses intersections.
- Partnerships; looking at the level of participation by either public or private partners other than the state program, and the critical timing of the investment.
- Consistency with regional and state plans; integrating freight into other transportation planning.
- Project cost; cost effectiveness and degree to which all cost alternatives are considered.
- Special issues; when people were putting together their applications they felt they weren't getting to point out how their project is important to freight mobility.

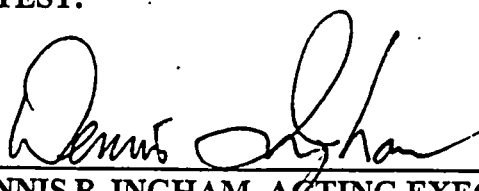
**FUTURE ITEMS:** Mr. Ingham asked the Board if they had any items they wanted presented at the September meeting. Mr. Kalberer suggested that staff combine the projects that staff will present with the various studies, etc. that surround the projects. Mr. Ingham agreed and stated this will be a good overall scenario as the Board continues to discuss state share. Staff will also bring a draft budget for the Board to review.

Mr. O'Neal encouraged the Board members to let them know if there are additional items that they would like to see on the agenda.

**MEETING ADJOURNED 3:19 p.m.**

  
A. DANIEL O'NEAL, CHAIRMAN

**ATTEST:**

  
DENNIS B. INGHAM, ACTING EXECUTIVE DIRECTOR





# FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

## MEETING MINUTES

September 18, 1998

Doubletree Hotel Seattle Airport - Cascade Rooms 7 & 8  
SeaTac, Washington

Board members present were Ms. Patricia Otley, Mr. Don Lemmons, Mr. Cliff Benson, Ms. Carol Moser, Mr. Bob Edwards, Mr. David Kalberer, Ms. Mary Seubert, Ms. Jennifer Joly, Ms. Barbara Cothern, Mr. Jim Toomey, and Acting Executive Director Mr. Dennis Ingham. Board member absent was Mr. Sid Morrison.

**WELCOME AND INTRODUCTIONS:** Chairman O'Neal met with the Washington Transportation Alliance, which is made up of statewide business people. They are working to enhance the interest of the business community in transportation around the state. Also, Secretary Rodney Slater, USDOT Secretary of Transportation, met at the Port of Seattle and was presented an outline of FAST Corridor and Sound Transit projects.

Ms. Mary Seubert announced she will only be serving here for the next 3 months, because she was defeated in the election. She will be notifying Gary Lowe, to fill her county position on the Board.

**MINUTES:** Board reviewed minutes from the previous meeting on August 21, 1998. Chairman O'Neal asked for the approval of the minutes.

*Ms. Moser moved, Ms. Seubert seconded to approve the minutes from the August 21, 1998, meeting.*

### **MOTION CARRIED**

**BUDGET 1999 - 2001 BIENNIUM:** Ms. Helga Morgenstern discussed staff costs for the Executive Director and Confidential Secretary and their travel. Additional items in the budget included meeting costs; office materials; facilities; equipment for staff; a car; and the recurring lease cost. The contracting options include contracting with a consultant and/or WSDOT, TIB, or CRAB. The estimate of \$100,000 a year is about 1,000 hours per year at \$100 an hour. This depends on how the Board is going to operate. The estimated total biennium budget is \$800,000 to \$1,000,000. To seek reimbursement for Board members travel, it was suggested the Board have a legislator advocate this change in legislation and add a line called reimbursement for the Board travel.

The Board agreed to have two Full-time Equivalents (FTE's), an Executive Director and Confidential Secretary, with support coming from others. Staff will modify budget to

reflect hours of work effort needed rather than additional FTE's. Also, staff will confirm the dollars for office space. For October, staff will make the changes requested and bring the revised budget back for final adoption. Staff will also draft a page describing the philosophical direction for the Board, which will include the Board's intent to be lean and mean.

*Ms. Cothorn moved, Ms. Moser seconded to adopt the preliminary budget with an addition of a new line for board travel and reasonable expenses.*

### ***MOTION CARRIED***

***CURRENT BUDGET:*** Mr. Ingham briefed the Board on current and anticipated expenditures of the \$175,000 designated to the Board. This will be updated monthly.

***FREIGHT MOBILITY ISSUES IN WASHINGTON - PANEL DISCUSSION:*** Ms. Kjris Lund moderated a panel discussion on the various studies focusing on freight mobility. The projects resulting from those studies were in three categories: FAST Corridor; series of port access studies (sponsored by the legislature); and Eastern Washington studies (also sponsored by the legislature).

Mr. Larry Kyle, HDR Engineering, briefed the Board on the Southwest Washington (SWW) port study in the Vancouver, Kalama, and Longview areas. This study focused on access to the ports for rail and highway.

The Eastern Washington FMAC study, focused on the following freight issues in that part of the state:

1. Strategic Freight Corridors - As a part of the original FMAC study corridors were identified throughout the state of Washington on ports, railroads, and highways. The criteria used, railroad 5 million gross tons per year, highway 4 million net tons, and waterways were identified as access from ports to international markets. The railroad numbers were received from the operating railroad BNSF and the highway numbers were taken from the state's process of documenting the amount of traffic on the highways.
2. Stampede Pass Reopening Corridor - This corridor was looked at to determine the impacts to agencies affected along the corridor. As a result a series of 28 projects were suggested as part of mitigating the impact of reopening the stampede pass corridor.
3. Mr. Kyle discussed the border crossing issue related to NAFTA. Also, the increasing concerns related to the Columbia/Snake River Draw Down, which is currently being studied.

Ms. Renee Montgelas, WSDOT Office of Urban Mobility (OUM), briefed the Board on the projects included in FAST Corridor. The FAST Corridor is made up of 15 projects from Tacoma to Everett. It is composed of grade separation projects and port access projects. These projects came from local jurisdictions, ports, and state. The FAST Corridor has been sponsored by the WSDOT, the Puget Sound Regional Council, 3 ports (Everett, Seattle, and Tacoma), 2 railroads (Union Pacific and BNSF), 11 cities, and 2 counties (King and Pierce). Total cost for these projects is \$354,000,000. All partners have agreed to contribute to these projects. The FAST Corridor was named as one of the 43 trade corridors in the country. Currently, the state is working on a package to submit to FHWA for funding through the TEA 21 National Border Crossing/Trade Corridor Program. The FAST Corridor was the highest ranking project FMPPC identified. With this concept we believe we have a better opportunity getting federal funds by becoming a partnership as a whole.

Mr. Paul Chilcote, Port of Tacoma, described this project as raising the Port of Tacoma road and making a full-grade intersection. The existing railroad has no room to put together port trains that are a mile long. With commuter rail coming through congestion is obviously a factor. This project will enable the port to build 10 new tracks underneath. This project effects not only Port of Tacoma traffic, but Port of Seattle traffic, and commuter rail traffic.

Mr. Les Rubstella, WSDOT, Project Manager for the SR #519 project under consideration. The issues surrounding this project includes: getting the I-90 traffic to the docks; the freight traffic to the port; and the ferry traffic to the terminal. However, all the traffic must cross BNSF main line rail that is leaving the Seattle area to Everett and Steven's pass. In 1996, the blockage was about 3 hours a day for trains. The intent is to get this traffic up and across the rail traffic. FAST Corridor has phase one which is a bridge over the railroad tracks to an interchange over 4<sup>th</sup> Avenue for a cost of \$100 million.

Ms. Moser suggested touring the FAST Corridor to get an understanding of this corridor concept. Chairman O'Neal suggested Mr. Montgelas set up this tour for the Board.

**REVIEW OF PRIORITIZED PROJECTS FROM FMPPC:** Ms. Kjris Lund explained that the Board has a project summary and map of each project. The solicitation for these projects was 4-6 weeks. In the future we suggest a workshop on this program and the information that will be needed. However, even with the short time frame we received good projects. There were 178 points total, of which 70% were objective and 30% were subjective. Mr. Kyle stated there was a worksheet provided to assist agencies in completing the applications. These applications were filled out and turned into Denny's office. HDR Engineering reviewed each application and the worksheets to see how the calculations were done. Through the course of the process we called every applicant to clarify the information or before the applications were made they called us to get additional assistance. The subjective information was scored based upon the criteria.

The panel used a representative from: a city, a county, a port, WSDOT, and the trucking association. These scores were incorporated with the objective scores and prioritized.

The principal objective of FMPPC was to develop a way of evaluating and selecting significant freight mobility projects. Ms. Lund explained that FMPPC ranked the projects, whereas FMSIB will update project information (as necessary), look at the ranked projects, and decide on how much the state share contribution for each project. These projects are at various stages of development, those that are well under way have committed funds, others are very preliminary and have no committed funds. Ms. Joly stated the bill comes up with a minimum 20% contribution so that is the starting point. Then the Board may decide a project needs more partnership money, than expressed in the project application. At the last meeting the Board decided to have the applicants re-evaluate the partnership dollars since the Board's focus is on partners. These updates may change the prioritization, however, it will still be up to the Board to come up with what the state share should be for each project.

The prioritized list from last year will be updated and re-scored. From that revised list the Board will have to look at how much the state share will be. The Board will need to justify recommendations and it is staff's goal to give you our best technical support. The information will be updated by November.

#### ***SUBCOMMITTEE REPORTS:***

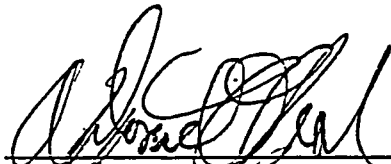
**Executive Director:** Ms. Barbara Cothorn explained the Executive Director is being advertised from September 9<sup>th</sup> through September 30<sup>th</sup>. The original screening group will be Chairman Dan O'Neal, Mr. Cliff Benson, and Ms. Jennifer Joly, and Ms. Cothorn will be the alternate. The Board needs to begin developing a set of interview questions. Mr. Dan Rude will send out a reminder to bring the questions to the October meeting. Mr. Jim Toomey suggested forwarding to the Board a copy of the interview questions used to select the TIB Director. Mr. Rude agreed. Mr. Rude stated the recruitment notice was sent out to everyone and many of the adds have been circulated and the total cost is \$1,400. The screening group will meet afterwards to work out details. Mr. Rude also stated he would have the questions at least a week before the interviews, then the interview team would make the final selection of the questions the morning of the interviews.

**State Share:** Mr. Bob Edwards stated a technical consultant has been selected for under \$20,000. The Board used the WSDOT's small works roster, who recommended Mr. Dan Malarkey of ECONorthwest. Mr. Ingham and Ms. Stephanie Tax met with Mr. Malarkey and discussed the scope approved by the Board and the outcomes needed. The actual contract should be finalized by the end of the month. Mr. Malarkey will give a briefing to the Board in October to let the Board know the status of the work he is doing. Then in November, if not a finished product, at least some good alternatives will be presented to the Board. Chairman O'Neal requested, before the next meeting, having an e-mail sent out to let the Board have a heads up on what to expect at the meeting.


**FUTURE DISCUSSION:** Mr. Dennis Ingham presented the proposed agenda for the joint meeting with the Transportation Commission in October. Basically we will have a short presentation of the roles and responsibilities of this board, and they will give a presentation of their charge. We will have a presentation on the strategic freight corridors, since both groups have to adopt them. Mr. Tom Green would like to talk about Washington Transportation Plan (WTP). Also, to discuss the WSDOT projects on the list.

Ms. Moser requested that the Board look at other locations for their meetings, which would enable them to tour other projects. Chairman O'Neal agreed and suggested after the legislative session next year in May or June.

**MEETING ADJOURNED 2:27p.m.**

  
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A. DANIEL O'NEAL, CHAIRMAN

**ATTEST:**

  
\_\_\_\_\_  
DENNIS B. INGHAM, ACTING EXECUTIVE DIRECTOR



# FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

## MEETING MINUTES

October 16, 1998  
WestCoast SeaTac Hotel - Seattle Room  
SeaTac, Washington

Board members present were Chairman Dan O'Neal, Ms. Patricia Otley, Mr. Don Lemmons, Mr. Cliff Benson, Ms. Carol Moser, Mr. David Kalberer, Ms. Mary Seubert, Ms. Jennifer Joly, Mr. Sid Morrison, Mr. Jim Toomey, and Acting Executive Director Mr. Dennis Ingham. Board members absent were Mr. Bob Edwards and Ms. Barbara Cothorn.

**WELCOME AND INTRODUCTIONS:** Chairman Dan O'Neal welcomed the Board to the October 16, 1998, meeting.

**MINUTES:** An amendment was made to the minutes, to "adopt a preliminary budget with an addition of a new line for board travel and reasonable expenses."

*Ms. Seubert moved, Ms. Moser seconded, to approve the minutes as amended from the September 18, 1998 meeting.*

**BUDGET:** Ms. Helga Morgenstern presented the Board with the 99-01 FMSIB Administrative Budget. This budget includes the Executive Director, the Confidential Secretary, travel, and expenses for the start up of a new agency for a total of \$1.1M. This budget may need to be supplemented to include costs for administering grants and projects if dollars are allocated in the 1999 legislative session. For travel there are two line items: 1) the Executive Director travel and, 2) the Board travel and reasonable expenses. The Board travel and reasonable expenses are dependent upon legislative action.

*Mr. Morrison moved, Ms. Seubert seconded, to adopt the proposed budget for the coming biennium.*

**CURRENT EXPENDITURES:** Mr. Dennis Ingham stated that the consultant contracts for both Lund Consulting and ECONorthwest are signed.

### **SUBCOMMITTEE REPORTS:**

**Executive Director** - Mr. Cliff Benson announced the interviews for the Executive Director would be on November 2, 1998. The interview panel will consist of Ms. Barbara Cothorn, Mr. Cliff Benson, Ms. Jennifer Joly, and Chairman Dan O'Neal.

State Share - Mr. Dennis Ingham introduced Mr. Dan Malarkey of ECONorthwest. Mr. Malarkey and the Board will be working together to determine a process to be applied to the prioritized list. The Board will use the process and other contributing factors to decide the FMSIB program funds that should be contributed to each project. These projects benefit the state, the local businesses, and the workers in Washington. They also benefit the consumers who count on the economic activity in the state. Overall these projects assist the movement of freight to travel more efficiently.

Using a generic process Mr. Malarkey suggested some items to consider: the project costs, the requested state funding share, the daily truck hours of delay, and the daily hours saved for other vehicles.

There was discussion on back-haul and direct versus indirect benefits. Currently there isn't sufficient data to determine all the impacts. However, the Board can suggest that this is an area needing further review for future project submittals. The Board needs to look closer at some of these elements to characterize the back-haul issue.

Mr. Toomey stated that the applicants had already been asked certain quantifiable questions about impacts on trucks, impacts on passenger vehicles, and local costs. He said that the state cares about those impacts, but there are also the other impacts that are currently not quantified on the list of projects. The Board needs to develop a logical thought process to utilize what the state share percentage will be.

It was suggested to separate the projects in geographic areas first, then apply the cost/benefit scenario. However, that appeared to be applying different criteria because of a project's location. The Board will need to ensure a uniform approach so all projects are treated the same. There was also a concern that eastern Washington projects to not have the availability of additional partners. This will need to be reviewed as the Board works with the state share process.

The most the state will contribute to a project is the amount the agency requested on the project application. This does not mean that each project will get the maximum funding that is requested. Funding for projects depends on the Board and where the projects fall on the priority list. After the Board decides the amount they are willing to contribute to a project, it will then be up to the agency to determine if they have the additional funds to move the project forward. FMSIB funds will not be distributed until this commitment with the agency is made.

Chairman O'Neal suggested Mr. Malarkey meet with the subcommittee and any other members interested before the November meeting to develop a systematic approach for determining the funding for the projects. The state share subcommittee members are Mr. Bob Edwards, Ms. Carol Moser, Mr. David Kalberer, Ms. Pati Otley, and Mr. Don Lemmons. Mr. Ingham reminded the Board that the list will be forwarded to the Legislature in January.



## ***TRANSPORTATION COMMISSION COMBINED MEETING:***

**Introductions** - The Board welcomed the Transportation Commission to the afternoon session and thanked them for the chance to interchange thoughts and ideas pertaining to freight movement.

Chairman O'Neal and Commissioner Green started the afternoon with a brief history of the progress and direction of the FMSIB and the Transportation Commission, and some challenges each of the entities are working on.

Commissioners at the afternoon session were Commissioner Connie Niva, Snohomish County; Commissioner Edward Barnes, Clark County; Commissioner Tom Green, Chelan County; Commissioner Michele Maher, Spokane County; and Commissioner Aubrey Davis, King County.

**Roles and Responsibilities** - Chairman O'Neal introduced Mr. Jeff Doyle of the Legislative Transportation Commission, to speak on behalf of FMSIB. The idea for FMSIB started when the Legislature realized there were no policies developed for freight mobility. With that in mind the Legislature became interested in developing a freight mobility program. This gave the Legislature an opportunity to bring together various funding partners, state beneficiaries, and stakeholders to leverage the funds. The Legislature is now awaiting the Board's methodology for determining state share.

Mr. Chris Rose reported on the roles and responsibilities for the Transportation Commission. The Transportation Commission along with the Secretary or Transportation are responsible for overseeing WSDOT and for offering state transportation policies to the Legislature. WSDOT is responsible for setting a level of service standards. This will ensure free movement of people and goods on statewide highways. WSDOT has also been discussing investing in strategic freight corridors.

**Strategic Freight Corridors** - Mr. Greg Selstead, Assistant Planning Manager of the Transportation Planning Office, WSDOT, discussed the purposes and outcomes of the Freight Goods and Transportation System (FGTS). FGTS consists of state highways, county roads, and city streets. It reports technical data of freight and goods by the growth of freight truck movement. FGTS provides the basis for the recommendations of strategic freight corridors. In the Legislation it requires the Commission and FMSIB to designate and update the designated strategic freight corridors within the state every two years. Also a method of collecting and verifying data including city and county roads must be established. The FGTS classifications for annual tonnage's are T-1 through T-5 consisting of; T-1 being more than 10 million tons per year, T-2 being 4 million to 10 million per year, T-3 being 300 thousand to 4 million per year, and T-4 and T-5 remaining the same. With this updated information WSDOT has collected from all the entities, Mr. Selstead will identify the corridors that meet the criteria for strategic freight corridors at the next meeting of the Commission and Board. This will ensure that the same strategic freight corridors are adopted.

WSDOT Projects - Ms. Paula Hammond, Director of Highways and Local Roadways, WSDOT, explained the types of WSDOT projects that relate to freight mobility, and the Priority Programming System which assists WSDOT in selecting projects. Ms. Hammond also explained the various WSDOT programs (i.e., preservation, improvement, etc.) that are used in prioritizing.

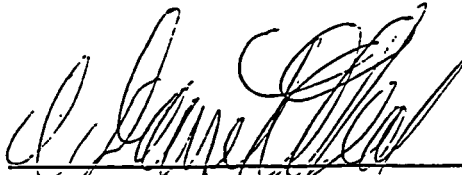
Over the next two years WSDOT will be working on a methodology for the Commission to select projects that have an economic development focus. When looking at the freight mobility subprogram WSDOT considers mobility for people and goods. However, there isn't a big distinction between people and goods in WSDOT's prioritization process. The biggest factor is benefit/cost. Which changes as other partners contribute money into the projects, WSDOT's costs go down, and the project rises in the priority array. Therefore if FMSIB contributes funds into a WSDOT project it will move the project up on WSDOT's priority array.

Washington Transportation Plan - Mr. Charlie Howard, Planning Manager of the Transportation Planning Office, WSDOT, explained to the Board and the Commission the Washington Transportation Plan (WTP) and how it is used by WSDOT and the Commission.

*FUTURE ITEMS:* Chairman O'Neal stated that at the November meeting the Board will be adopting strategic freight corridors. There will be a report back from Mr. Malarkey on the State Share process. The Executive Director Subcommittee will report on their progress. Also in a prior meeting it was requested by members of the Board to have a chance to see the FAST Corridor projects. Chairman O'Neal suggested to interested members to see Mr. Ingham or Ms. Renee Montgelas to schedule their trip.

Chairman O'Neal and Commissioner Green thanked all the members for taking the time to see how each of their work reflects the other.

**MEETING ADJOURNED 3:00 p.m.**

  
A. DANIEL O'NEAL, CHAIRMAN

**ATTEST:**

  
DENNIS B. INGHAM, ACTING EXECUTIVE DIRECTOR

# FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

## MEETING MINUTES

November 20, 1998

WestCoast SeaTac Hotel - Seattle Room  
SeaTac, Washington

Board members present were Chairman Dan O'Neal, Ms. Patricia Otley, Mr. Don Lemmons, Mr. Cliff Benson, Ms. Carol Moser, Mr. David Kalberer, Ms. Mary Seubert, Ms. Jennifer Joly, Mr. Sid Morrison, Mr. Jim Toomey, Mr. Bob Edwards, Ms. Barbara Cothorn and Acting Executive Director Mr. Dennis Ingham..

**WELCOME AND INTRODUCTIONS:** Chairman Dan O'Neal welcomed the Board to the November 20, 1998, meeting.

**MINUTES:** Board reviewed minutes from the previous meeting on October 16, 1998. Chairman O'Neal asked for the approval of the minutes.

*Ms. Cothorn moved, Mr. Lemmons seconded, to approve the minutes from the October 16, 1998, meeting.*

### **MOTION CARRIED**

**LEGISLATIVE UPDATE:** Chairman Dan O'Neal and Mr. Dennis Ingham reported on their meeting with the Legislative Leaders held on November 18, 1998, to discuss any changes due to a different dynamic in the Legislature. The Legislative Leaders expressed support for continuing the freight program and the Board. They intend to support an amendment to the statute to make it discretionary for the Board to contract through the Washington State Department of Transportation (WSDOT) instead of hiring an Executive Director. If at a later time the Board felt it necessary they could hire an independent Executive Director while continuing to utilize support from WSDOT.

**STRATEGIC FREIGHT CORRIDORS:** Mr. Greg Selstead, Assistant Planning Manager of the Transportation Planning Office, WSDOT, reported on the Freight Goods and Transportation System (FGTS). FGTS is a policy used to adopt strategic freight corridors for state highways, local roadways, and city streets. The purpose and outcome of this process is to adopt a joint resolution with the Transportation Commission as discussed during the October meeting. The Transportation Commission adopted the resolution on November 17, 1998, at their regularly scheduled meeting. Mr. Selstead explained the Commission shall designate a freight goods and transportation system in December, and will update that system biennially.

Local agencies collected the data by counting trucks and estimating tonnage. Then by using the T-1 through T-5 classification the agencies put the data in project ranking order. To determine the classification of the roadways for FGTS, after reviewing the data there were some roadways that didn't meet the T-1 or T-2 classifications. However, the roadways on each side of the one roadway in question do meet the criteria. So to include the entire corridor it was proposed to make exceptions for these roadways.

Mr. Selstead's presentation is only one component of the strategic freight corridors. The Board still would need to adopt corridors for waterways and railroads.

*Ms. Moser moved, Ms. Seubert seconded, to adopt the strategic freight corridors for roadways with an amendment to the title to read, "Strategic Freight Roadways."*

### **MOTION CARRIED**

**LEGISLATIVE REPORTS:** The Board discussed how to submit the list of projects and whether they needed to determine how many dollars to request. Ms. Jennifer Joly stated the Board should submit the entire list for funding and then it is up to the Legislature to determine how much of Referendum 49 would go to this program.

Mr. Dennis Ingham explained Ms. Kjris Lund will be discussing the report to the Legislature at their next meeting. He also suggested the Board determine what their role as freight mobility advocates will be.

### **SUBCOMMITTEE REPORTS:**

**Executive Director:** Ms. Barbara Cothorn reported on the Executive Director process. There were 24 applications and the subcommittee interview six. The subcommittee decided on one candidate that it thought was best qualified to do the job. The subcommittee had planned to recommend the candidate to the full Board. The meeting with key Legislators caused the chairman and the subcommittee to put the selection process on hold pending a discussion with the Board. The Board agreed that it would not proceed further at this time and that it would continue to rely upon the Department of Transportation for support for the time being, provided such support remains available. The Board thanked Mr. Dan Rude for assisting with the Executive Director process.

*Mr. Toomey moved, Ms. Otley seconded, for Mr. Ingham to continue to be the Acting Executive Director for the Board.*

### **MOTION CARRIED**

**State Share:** Mr. Bob Edwards introduced Mr. Dan Malarkey of ECONorthwest. Mr. Malarkey shared with the Board the state share subcommittee approach. Their recommendation is that the maximum percent funded by the Board be 65% of a total project cost, unless a special exception was granted. Also, a cap of \$50M for any one project in a 6 year time frame. This approach encourages a minimum of 35% of

partnerships for each project. For the projects requesting more than this policy allows, Mr. Ingham will contact them and get a response to forward to the Board in December.

A discussion on solicitation and evaluating future projects began. Projects not funded during the 1999 Legislative session would need to be resubmitted when the Board has a new call for projects. These projects would then be reevaluated with all new projects selected. This policy would need to be incorporated in the next call for projects.

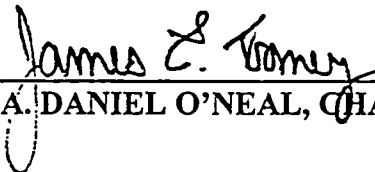
*Mr. Morrison moved, Mr. Toomey seconded, to accept on a preliminary basis the criteria presented by the subcommittee, and to have staff contact all the participants on the list to get their reactions for the Board's consideration in December.*

**MOTION CARRIED**

**FUTURE ITEMS:** Chairman Dan O'Neal appointed a subcommittee to work on the Legislative Report and oversee the drafting of Legislative language to make discretionary Board hiring of an Executive Director and language to compensate Board members for expenses incurred incidental to their Board duties and responsibilities. The subcommittee is Mr. Jim Toomey as chair, Ms. Barbara Cothem, Mr. Cliff Benson, and Ms. Jennifer Joly to work with Mr. Ingham and Ms. Kjriss Lund.

Ms. Barbara Cothem requested to have Ms. Helga Morgenstern back to discuss the budget.

**MEETING ADJOURNED 2:20 p.m.**

  
A. DANIEL O'NEAL, CHAIRMAN

**ATTEST:**

  
DENNIS B. INGHAM, ACTING EXECUTIVE DIRECTOR



# FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

## MEETING MINUTES

December 18, 1998  
WestCoast SeaTac Hotel - Seattle Room  
SeaTac, Washington

Board members present were Chairman Dan O'Neal, Ms. Patricia Otley, Mr. Don Lemmons, Mr. Cliff Benson, Mr. David Kalberer, Ms. Mary Seubert, Ms. Jennifer Joly, Mr. Sid Morrison, Mr. Jim Toomey, Mr. Bob Edwards, Ms. Barbara Cothorn and Acting Executive Director Mr. Dennis Ingham. Board member absent was Ms. Carol Moser.

**WELCOME AND INTRODUCTIONS:** Chairman Dan O'Neal welcomed the Board to the December 18, 1998, meeting.

**MINUTES:** An amendment was made to the minutes, to read as follows: "Projects not funded during the 1999 Legislative session would need to resubmitted when the Board has a new call for projects. These projects would then be reevaluated with all new projects selected."

*Ms. Cothorn moved, Ms. Otley seconded, to approve the minutes as amended from the November 20, 1998, meeting.*

### **MOTION CARRIED**

**BUDGET:** Ms. Helga Morgenstern spoke to the Board about the impacts on the budget, because of the decision to not hire an Executive Director. Ms. Morgenstern explained to the Board that there was no need to resubmit a revised budget to show this change. The Board's budget was sent to the Governor and he has included \$600,000 for the Freight Mobility Strategic Investment Board. During the Legislative session discussions will be held on the work of the Freight Mobility Strategic Investment Board. As for now the Board will be relying on Washington State Department of Transportation (WSDOT), TransAid Office, Transportation Improvement Board (TIB), and County Road Administration Board (CRAB), for staff support.

### **STRATEGIC FREIGHT CORRIDORS:**

Mr. Alan Harger presented the recommendations for the Strategic Freight Corridors for waterways and railways.

**Railways:** The recommended mainline railroads designated by Washington's Strategic Rail/Freight Corridors are: Blaine through Seattle down to Vancouver; the Stevens Pass mainline; the Stampede Pass mainline; the Columbia Gorge mainline; the BNSF mainline

from Tri-Cities to Spokane; and the Union Pacific mainline from the Oregon border up through Spokane to the Idaho border.

**Waterways:** The two criteria used for the waterway corridors are: they serve as international and global gateways; and they serve international and domestic commerce. Eight deep water ports were recommended for the Strategic Water/Freight Corridors in Washington state. All fell within the 2.5M net tons criteria. The ports are Anacortes, Everett, Tacoma, Seattle, Port Angeles, Longview, Kalama, and Vancouver. Mr. Harger recommended three other ports to include in this adoption Olympia, Grays Harbor, and Bellingham, all three use the same two criteria as the other recommended ports, but are under the 2.5M tonnage stipulation in the statute.

*Ms. Otley moved, Ms. Seubert seconded, to adopt the recommended Strategic Freight Corridors for Railways and Waterways.*

### **MOTION CARRIED**

**LEGISLATIVE REPORTS:** Mr. Jim Toomey gave an overview of the topics of discussion and timing for the Legislative Reports. The December report will include the staff and administration plan, with a brief cover letter from the chair. All other items previously discussed will be incorporated into the final report to be approved in January.

Ms. Kjris Lund is drafting the January report for the Board. Ms. Lund was asked to include in the report the adopted strategic freight corridors, the recommended project list, the state share piece, the budget, the referendum 49 decision, a cash flow summary chart, the decision concerning hiring an Executive Director, and the staffing for the Board. Ms. Lund felt it important to explain in the Legislative report how the Board came up with the decisions they did and where they would be going with them in the future.

Mr. Jeff Doyle presented the Board with the draft revised legislation. The draft legislation would allow the Board to receive reimbursement for travel expenses. Included in the definition for travel reimbursement are meals, mileage or airfare, and lodging. The Board has the discretion to either appoint an Executive Director or contract with the Department of Transportation for an Executive Director. Also, staff support to the Board may be by contract with the Department of Transportation, the Transportation Improvement Board, and the County Road Administration Board, or their successor agencies. The last change to the legislation was the Board will report to the Legislature on an annual basis.

*Mr. Edwards moved, Ms. Cothorn seconded, to support the revised legislation.*

### **MOTION CARRIED**

**STATE SHARE:** At the November meeting the Board requested that staff send the project information to the sponsors to review once more. This request included the



Board's proposal that the freight mobility program would limit funding to a maximum 65% or \$50M whichever was less. This proposal affected 12 projects. The project proponents revised their funding requests to meet these limits. Based on these revisions some project rankings were adjusted. The revised list contains 48 projects with a total cost of \$1.2B, of which \$472M of freight mobility funds are being requested. Mr. Ingham recommended the Board approve the project list.

*Mr. Edwards moved, Mr. Kalberer seconded, to approve the recommended project list.*

**MOTION CARRIED**

**OTHER ITEMS:** Ms. Kjris Lund discussed the topic of Geographic Distribution with the Board. The Governor's proposal included \$340M for freight mobility projects. The Board decided that the I-90 snowshed project would be classified as geographically neutral. This would allow the 15% funding level for Eastern Washington projects to stretch further in that part of the state.

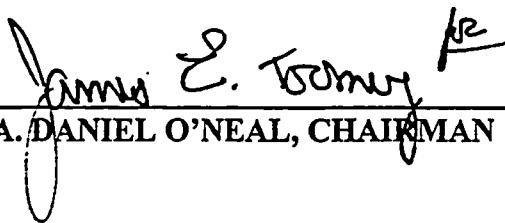
*Mr. Benson moved, Ms. Cothorn seconded, to approve the submitted list with the recommendations that the I-90 snowshed project be defined as geographically neutral.*

**MOTION CARRIED**

**FUTURE ITEMS:** Mr. Dennis Ingham headed the discussion for items to be discussed at the January, 15, 1999, meeting. The Board will be reviewing the Legislative report, adopting a 1999 workplan, and having discussions on WAC rules and operating procedures.

Ms. Seubert informed the Board that this was her last meeting and thanked the members for the opportunity to work with them. Chairman O'Neal thanked Ms. Seubert on behalf of the Board for her involvement and assistance.

**MEETING ADJOURNED 12:15 p.m.**

  
A. DANIEL O'NEAL, CHAIRMAN

**ATTEST:**

  
DENNIS B. INGHAM, ACTING EXECUTIVE DIRECTOR



# **Section B**

# Strategic Freight Highways, Roads, & Streets

## List of Routes

In 1998, the Freight Mobility Strategic Investment Board adopted strategic freight highways, roads, and streets. All of the strategic highways and many of the strategic roadways are shown on the strategic corridor map included with the report. The following is a listing of the strategic freight highways, roads, and streets:

### Highways

<b><u>SR 2</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	Everett to Jct SR 204	0.00	2.45
	SR 204 to Gunn Rd	2.45	29.48
	SR 97 to SR 97 Alternate	104.74	119.61
	SR 97 Alternate to SR 2/SR 28	119.61	127.86
	SR 2/28 to SR 97 (Orondo)	127.86	139.85
	Fairchild AFB to SR 90	275.35	283.22
	SR 90 to SR 290	286.87	287.40
	SR 290 to Wedgewood	287.40	291.55
	Wedgewood to Norwood Road	291.55	301.40
	Everett Couplet	0.77	1.51
	Brown Street Couplet	287.45	288.08
Ruby Street Couplet	289.19	290.72	
<b><u>SR 3</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	Olympic Highway to Railroad Ave	2.31	2.71
	Sunnyslope Rd to Gorst	32.60	34.67
	Gorst to Trigger Ave	34.67	47.33
	Trigger Ave to SR 104	47.33	60.02
<b><u>SR 4</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	SR 4 Wye to Main St	60.80	60.88
<b><u>SR 5</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	Oregon to British Columbia	0.00	275.00
	I-5 Express Lanes	165.29	172.43
<b><u>SR 7</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	SR 507 to SR 512	47.42	52.63
<b><u>SR 8</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	SR 12 to SR 101	0.00	20.67
<b><u>SR 9</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	Old SR 2 to SR 92	10.96	17.49
	Arlington Vicinity	29.48	29.54
	Sumas Vicinity	96.30	98.17
<b><u>SR 12</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	SR 101 to Aberdeen Couplet	0.00	0.33
	Aberdeen Couplet to Wynochee Rd	0.33	8.16
	Wynochee Rd to I-5	8.16	46.62
	I-5 to Packwood	66.54	130.72
	McCormick Rd to I-82	196.67	202.75
	I-182 to SR 730	291.67	307.41
	SR 730 to SR 125	307.41	335.30
	SR 125 to Walla Walla Vicinity	335.30	336.85
	Walla Walla Vicinity	336.85	338.73
Aberdeen Couplet	0.33	0.61	

## Highways

<b><u>SR 14</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	I-5 to Evergreen I/C	0.00	3.69
	Evergreen I/C to Brady Rd	3.69	10.27
	Brady Rd to 32 <sup>nd</sup> St	10.27	17.05
	SR 221 to Plymouth	167.25	180.77
	Maryhill Vicinity	100.66	101.05
<b><u>SR 16</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	Tacoma to Gorst	0.00	29.19
	Gorst Spur	28.74	29.13
<b><u>SR 17</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	SR 395 to Pioneer Way	7.43	51.93
	Pioneer Way to Patton Blvd	52.20	56.57
<b><u>SR 18</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	I-5 to I-90	2.20 B	27.91
<b><u>SR 20</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	Anacortes to Burlington	47.90	59.85
<b><u>SR 24</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	I-82 to Burchfield Rd	0.00	0.21
	Burchfield Rd to Keys Rd	0.21	0.84
	SR 240 to SR 243	38.74	44.15
	Sagehill Rd to Othello	73.92	79.17
	Othello to SR 26	79.17	79.64
<b><u>SR 26</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	I-90 to SR 243 Vantage Vicinity	0.00	1.02
	Othello to SR 24	38.56	40.69
<b><u>SR 28</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	Wenatchee to SR 285	0.00 B	3.68 B
	Wenatchee Couplet Wye	3.68 B	3.84 B
	Wenatchee Couplet	3.84 B	4.25 B
	Wenatchee Couplet to Grant Rd	4.25 B	0.32
	Grant Rd to Quincy	0.32	30.68
	Wenatchee Couplet	4.25	4.58
<b><u>SR 82</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	I-90 to Thorp Rd	0.00	0.87
	Thorp Rd to I-182	0.87	102.87
	I-182 to SR 395	102.87	113.71
	SR 395 to Oregon St Line	113.71	132.60
<b><u>SR 90</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	SR 519 to I-5	1.94	2.79
	I-5 to Idaho	2.79	299.82
	I-90 Express Lanes	1.99	9.44
<b><u>SR 97</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	Oregon State Line to Maryhill Vicinity	0.00 B	2.50
	Maryhill to SR 10	2.59	136.61
	SR 10 to SR 970	136.61	149.69
	SR 970 to SR 2	149.69	184.98
	SR 155 to SR 215	291.24	292.30
	Maryhill Couplet	2.59	2.68



## Highways

<b><u>SR 99</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	I-5 to SR 18	0.00	8.14
	SR 599 to Viaduct	22.97	31.72
	Viaduct to Greenlake	31.72	36.45
	Greenlake to I-5 in Everett	36.45	55.41
	Alaskan Way Viaduct	31.72	33.56
<b><u>SR 101</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	SR 6 to Larson Bros Rd	58.48	100.76
	SR 112 to SR 104	242.61	284.63
	SR 3 to SR 102	348.95	350.38
	SR 102 to SR 8	350.38	353.05
	SR 8 to Mud Bay	353.05	361.37
	Mud Bay to I-5	361.37	367.41
	Aberdeen Couplet	87.49	91.66
	Port Angeles Couplet	249.65	251.32
<b><u>SR 104</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	SR 101 to Hood Canal Bridge	0.20	8.87
	Hood Canal Bridge to SR 3	8.87	15.59
	SR 99 Vicinity to 19 <sup>th</sup> Ave	28.23	30.14
<b><u>SR 117</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	SR 101 to Port Docks	0.29	1.40
<b><u>SR 124</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	SR 12 to Hood Park Rd	0.00	0.05
<b><u>SR 125</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	Oregon State Line	0.00	5.41
	Walla Walla Vicinity to SR 125 Spur	5.41	6.09
	SR 125 Spur	6.09	6.76
<b><u>SR 160</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	SR 16 to Bethel Rd	0.00	0.82
<b><u>SR 161</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	South Hill Vicinity	19.72	25.76
	Milton Rd to SR 18	34.14	35.00
<b><u>SR 162</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	SR 410 to 74 <sup>th</sup> Street	0.00	0.17
<b><u>SR 164</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	SR 18 to Academy Drive	0.31	4.36
<b><u>SR 167</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	SR 99/I-5 to Milwaukee Ave	5.60 B	5.72
	Milwaukee Ave to Renton	5.72	27.28
	Puyallup Couplet	5.72	6.26
<b><u>SR 169</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	SR 516 to Witte Rd	11.44	23.00
	Witte Rd to Renton	23.00	25.26
<b><u>SR 181</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	Kent to Renton	5.32	11.37

## Highways

<b><u>SR 182</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	I-82 to SR 240	0.00	3.37
	SR 240 to Thayer Rd	3.37	3.55
	Thayer Rd to SR 240	3.55	4.40
	SR 240 to Rd 68	4.40	9.95
	Rd 68 to 20 <sup>th</sup> Ave	9.95	12.40
	20 <sup>th</sup> Ave to Snake River	12.40	15.19
<b><u>SR 195</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	SR 270 to I-90	22.61	95.99
<b><u>SR 202</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	SR 522 to Woodinville	0.00	0.55
	Redmond Way	7.34	9.04
<b><u>SR 204</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	SR 2 to SR 9	0.00 B	2.35
<b><u>SR 205</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	Oregon State Line to I-5	26.59	37.16
<b><u>SR 240</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	Stevens Dr to I-182	30.63	34.87
	I-182 to SR 395	36.05	43.17
<b><u>SR 281</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	SR 281 Spur to Quincy	2.65	10.55
<b><u>SR 285</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	SR 28 to SR 2	0.00	5.04
	Wenatchee Couplet	2.86	4.64
<b><u>SR 290</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	Trent to Idaho State Line	0.74	18.38
	Hamilton Couplet	0.74	1.41
<b><u>SR 395</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	I-82 to I-90	13.05	96.13
	SR 2 to Hatch Rd	164.50	169.14
	Hatch Rd to Monroe	169.14	180.46
	Monroe to SR 20, near Kettle Falls	180.46	241.89
<b><u>SR 397</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	1 <sup>st</sup> Street to Washington Street	6.51	7.71
	Ainsworth Ave to I-182	8.79	11.23
<b><u>SR 405</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	I-5/Tukwila to I-5/Swamp Creek	0.00	30.32
<b><u>SR 410</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	Sumner to 181 <sup>st</sup> Street	8.84	13.37
	181 <sup>st</sup> Street to Enumclaw	13.37	24.29
<b><u>SR 411</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	SR 432 to SR 411 Spur	0.00	1.68
<b><u>SR 432</u></b>	<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
	Mt Solo Rd to SR 433	2.78	6.10
	SR 433 to I-5	6.10	10.33



## Highways

<u>SR 433</u>	<i>route name</i> Oregon State Line to Longview	<i>begin mp</i> 0.00	<i>end mp</i> 0.94
<u>SR 500</u>	<i>route name</i> I-5 to I-205 I-205 to NE 112 <sup>th</sup> Ave NE 112 <sup>th</sup> Ave to Ward Rd	<i>begin mp</i> 0.00 5.21 5.43	<i>end mp</i> 5.21 5.43 7.52
<u>SR 501</u>	<i>route name</i> I-5 to Fruit Valley Rd	<i>begin mp</i> 0.00	<i>end mp</i> 1.91
<u>SR 507</u>	<i>route name</i> Fort Lewis to SR 7	<i>begin mp</i> 39.59	<i>end mp</i> 43.57
<u>SR 508</u>	<i>route name</i> I-5 to Forest Drive	<i>begin mp</i> 0.00	<i>end mp</i> 0.25
<u>SR 509</u>	<i>route name</i> 1 <sup>st</sup> Ave to SR 99	<i>begin mp</i> 23.67	<i>end mp</i> 29.83
<u>SR 510</u>	<i>route name</i> I-5 to Hawks Prairie	<i>begin mp</i> 0.00	<i>end mp</i> 0.18
<u>SR 512</u>	<i>route name</i> I-5 to SR 167, Puyallup	<i>begin mp</i> 0.00	<i>end mp</i> 12.06
<u>SR 513</u>	<i>route name</i> SR 520 to Magnuson Park	<i>begin mp</i> 0.00	<i>end mp</i> 3.35
<u>SR 516</u>	<i>route name</i> SR 99 to 192 <sup>nd</sup> Ave SE	<i>begin mp</i> 1.83	<i>end mp</i> 13.11
<u>SR 518</u>	<i>route name</i> SR 509 to I-5	<i>begin mp</i> 0.00	<i>end mp</i> 3.81
<u>SR 520</u>	<i>route name</i> I-5 to SR 202	<i>begin mp</i> 0.00	<i>end mp</i> 12.83
<u>SR 522</u>	<i>route name</i> I-5 to SR 202 SR 202 to SR 9 SR 9 to SR 2	<i>begin mp</i> 0.00 11.59 14.09	<i>end mp</i> 11.59 14.09 24.68
<u>SR 525</u>	<i>route name</i> I-5 to SR 526	<i>begin mp</i> 0.00	<i>end mp</i> 6.51
<u>SR 526</u>	<i>route name</i> Airport Rd to Evergreen Way Evergreen Way to Everett	<i>begin mp</i> 1.43 3.73	<i>end mp</i> 3.73 4.52
<u>SR 527</u>	<i>route name</i> 228 <sup>th</sup> Street SE to Canyon Park	<i>begin mp</i> 2.41	<i>end mp</i> 2.93
<u>SR 528</u>	<i>route name</i> I-5 to 47 <sup>th</sup> Ave NE	<i>begin mp</i> 0.00	<i>end mp</i> 0.80
<u>SR 530</u>	<i>route name</i> I-5 to 115 <sup>th</sup> Ave NE	<i>begin mp</i> 16.95	<i>end mp</i> 24.84

## Highways

### SR 539

<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
I-5 to SR 546	0.00	12.54
SR 546 to Canadian Border	12.54	15.16

### SR 542

<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
I-5 to Britton Rd	0.00	2.81

### SR 543

<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
I-5 to Canadian Border	0.00	1.09

### SR 599

<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
I-5 to SR 99	0.00	1.75

### SR 730

<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
Oregon State Line to Wallula	0.00	6.08
Wallula Spur	5.82	0.09

### SR 823

<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
I-82 to 1 <sup>st</sup> Ave/Selah	0.00	1.36

### SR 900

<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
I-5 to Renton	5.93	8.27

### SR 970

<i>route name</i>	<i>begin mp</i>	<i>end mp</i>
I-90 to SR 903	0.00	0.36
SR 903 to SR 97	0.36	10.31

## County Roads & City Streets

### BENTON COUNTY

#### *Kennewick*

<i>route name</i>	<i>begin</i>	<i>end</i>
COLUMBIA CENTER BLVD	10TH AVE	SR 240
COLUMBIA DR	SR 395/SR 240	SR 397

### GRANT COUNTY

#### *Grant County*

<i>route name</i>	<i>begin</i>	<i>end</i>
3-NE	at IRRIGATION CANAL	at O-NE
PATTON BLVD	SR 17	ANDREWS
STRATFORD RD	at KINDER RD	at 7-NE

### JEFFERSON COUNTY

#### *Jefferson County*

<i>route name</i>	<i>begin</i>	<i>end</i>
CHIMACUM RD	at IRONDALE RD	at BEAVER VALLEY RD

### KING COUNTY

#### *King County*

<i>route name</i>	<i>begin</i>	<i>end</i>
14TH AV S	SEATTLE C/L	WEST MARGINAL
150 TH AVE SE	NEWPORT WAY SE	BELLEVUE C/L
68 TH AVE NE	SIMONDS RD	BOTHELL WAY
CARR RD	RENTON C/L	SR 515
E LK SAMM PKWY	SE 43rd WAY	ISSAQUAH C/L
JUANITA WOODINVILLE WAY	100TH AVE NE	SR 405
NE 124TH ST	132ND PL	SR 202
NE 132ND STREET	100 AVE NE	132 AVE NE
NE 160TH ST	SR 405	124 AVE NE
NE WOODINVILLE-DUVALL RD	171ST AVE NE	SR 203
ORILLIA RD	S 212TH ST	S 188TH ST
PEASLEY CANYON RD	MILITARY RD	AUBURN C/L
S 212TH WAY	KENT C/L	100TH AVE S
S 272ND ST	STAR LAKE PARK AND RIDE	56TH AVE S
S 272ND ST	SR 99	STAR LAKE PARK AND RIDE
S 277TH ST	56TH AVE S	SR 167
S 320TH ST	I-5	MILITARY RD
SE 128TH ST	138 AVE SE	175TH AVE SE
SE 176TH ST(PETROVITSKY RD)	SR 515	140 AVE SE
SE 208TH ST	100 AVE S	175 AVE SE
WEST VALLEY HWY	ALGONA C/L	PACIFIC C/L
WEST VALLEY HWY	AUBURN C/L	S 277TH ST

#### *Algona*

<i>route name</i>	<i>begin</i>	<i>end</i>
WEST VALLEY HWY	SOUTH C/L	NORTH C/L

#### *Auburn*

<i>route name</i>	<i>begin</i>	<i>end</i>
PEASLEY CANYON RD	W CITY LIMIT	W VALLEY HWY
WEST VALLEY HWY	PEASLEY CANYON RD	N C/L
WEST VALLEY HWY	15TH ST SW	PEASLEY CANYON RD

#### *Bellevue*

<i>route name</i>	<i>begin</i>	<i>end</i>
120TH AVE NE	NE 8TH ST	NORTHUP
124TH AVE NE	BEL-RED RD	NORTHUP WAY
128TH AVE SE	SR 90	SE NEWPORT WY
COAL CREEK PARKWAY SE	SE NEWPORT WY	BELLEVUE C/L
COAL CREEK PARKWAY SE	I-405	SE NEWPORT WY
NE 20TH ST	140TH AVE NE	148TH AVE NE
NE 8TH ST	112TH AVE NE	116TH AVE NE
NORTHUP WAY	116TH AVE NE	140TH AVE NE
SE 8TH ST	112TH AVE SE	LAKE HILLS CONN

## County Roads & City Streets

<b><i>Burien</i></b>	<i>route name</i> 1ST AVE S AMBAUM BLVD SW SW 128TH ST SW 128TH ST SW 148TH ST SW 156TH ST	<i>begin</i> S 148TH ST SW 128TH ST AMBAUM BLVD 1ST AVE S AMBAUM BLVD 4 AVE SW	<i>end</i> S 160TH ST 4 AVE SW DES MOINES C/L SR 509 1 AVE S 1 AVE S
<b><i>Kent</i></b>	<i>route name</i> S 212TH ST	<i>begin</i> 42 AVE S	<i>end</i> 89TH AVE S
<b><i>Kirkland</i></b>	<i>route name</i> NE 132ND ST	<i>begin</i> TOTEM LAKE BLVD	<i>end</i> 124TH AVE NE
<b><i>NewCastle</i></b>	<i>route name</i> COAL CREEK PARKWAY SE	<i>begin</i> C/L NEAR SE 69TH PLACE	<i>end</i> C/L NEAR SE 101ST STREET
<b><i>Pacific</i></b>	<i>route name</i> WEST VALLEY HWY	<i>begin</i> PACIFIC C/L	<i>end</i> PIERCE CO LINE
<b><i>Renton</i></b>	<i>route name</i> AIRPORT WAY BENSON RD S EAST VALLEY RD EDMONDS AVE SE LIND AVE SW LOGAN AVE N LOGAN AVE S N 3RD PL N 3RD ST N 4TH ST N 6TH ST NE 3RD ST NE 4TH ST OAKESDALE AVE SW PUGET DRIVE SE S PUGET DRIVE SW 16TH ST SW 27TH ST SW 34TH ST SW 41ST ST TALBOT RD TALBOT RD S	<i>begin</i> SHATTUCK AV S GRADY WAY/MAIN ST SW 43RD ST S C/L SW 7TH ST AIRPORT WAY S 3RD ST N 4TH ST LOGAN AVE N LOGAN AVE N GARDEN AVE N SR 405 JEFFERSON NE MONSTER RD SW EDMONDS AVE SE JONES PL SE EAST VALLEY RD END OF FREIGHT & GOODS OAKSDALE AV SW OAKSDALE AV SW S 43RD ST S 55TH ST	<i>end</i> SHATTUCK AVE S SOUTH C/L SW 16TH ST PUGET DR SE SW 43RD ST N 6TH ST AIRPORT WAY HOUSER WAY N SR 405 FACTORY AV N PARK AVE N JEFFERSON NE RENTON C/L SW 16TH ST JONES PL SE S 15TH ST MONSTER RD SW EAST VALLEY RD EAST VALLEY RD EAST VALLEY RD S 16TH ST S 43RD ST
<b><i>SeaTac</i></b>	<i>route name</i> 12TH PL S/S 188TH ST	<i>begin</i> SR 5	<i>end</i> SR 509
<b><i>Seattle</i></b>	<i>route name</i> 15TH AV NW 15TH AV NW (BALLARD BR) 15TH AV W 16TH AV S 4TH AV S 4TH AV S VI AIRPORT NB WY S AIRPORT SB WY S AIRPORT WY S ALASKAN WY ALASKAN WY S BROAD ST E MARGINAL WAY S E MARGINAL WY S ELLIOTT AV ELLIOTT AV W GREENWOOD AV N HOLMAN RD N HOLMAN RD NW	<i>begin</i> NW 50TH ST W EMERSON ST W GALER ST E MARGINAL WY S E MARGINAL WY S S END VIADUCT SR 5 AIRPORT WY S 4 AV S YESLER WY E MARGINAL WY S ALASKAN WY MICHIGAN AVE ALASKAN NB FY BROAD ST W DENNY WAY N 134 ST N 103 ST NW 87 ST	<i>end</i> NW 87 ST NW 50TH ST W EMERSON ST SR 99 S ROYAL BROUGHAM N END VIADUCT AIRPORT WY S S ROYAL BROUGHAM S CITY LIMIT S BROAD ST YESLER WY ELLIOTT AV 1 AV S BR MICHIGAN AVE DENNY WY W GALER ST N 107 ST GREENWOOD AV N N 103 ST

## County Roads & City Streets

### *Seattle (continued)*

<i>route name</i>	<i>begin</i>	<i>end</i>
LEARY WY NW	NW LEARY WY	NW 36 ST
M L KING WY S	S JACKSON ST	RAINIER AV S
N 105TH ST	GREENWOOD AV N	AURORA AV N
N 34TH ST	FREMONT AV N	N PACIFIC ST
N 36TH ST	1 AV NW	FREMONT PL N
N NORTHGATE WY	AURORA AV N	1 AV NE
N PACIFIC ST	N 34 ST	1 AV NE
NE NORTHGATE WY	1 AV NE	LAKE CITY WY NE
NE PACIFIC PL	NE PACIFIC ST	MONTLAKE BLVD NE
NE PACIFIC ST	NE NORTHLAKE WY	MONTLAKE BLVD NE
NICKERSON ST	QUEEN ANNE AV N	SR 99
NW 36TH ST	LEARY WY NW	1 AV NW
NW 48TH ST	NW LEARY WY	8 AV NW
NW LEARY WY	15 NB AV NW	LEARY WY NW
RAINIER AVE S	M L KING JR WAY	S DEARBORN ST
RENTON AV S	S CITY LIMIT	M L KING S WY
S DEARBORN ST	AIRPORT WY S	RAINIER AVE S
S ROYAL BROUGHAM WY	4TH AVE S	AIRPORT WY S
VALLEY ST	WESTLAKE AV N	FAIRVIEW AV N
W EMERSON ST	W EMERSON PL	15 AV W
W MARGINAL WY SW	26 AV SW	SW MICHIGAN ST
W NICKERSON ST	15 AV W	QUEEN ANNE AV N
WEST SEATTLE FY	S COLUMBIAN WY	35TH AVE SW
WESTLAKE AV	BLANCHARD ST	OLIVE WY
WESTLAKE AV N	SR 99	HARRISON ST
WESTLAKE AVE N	BROAD ST	HARRISON AVE

### *Shoreline*

<i>route name</i>	<i>begin</i>	<i>end</i>
10TH AVE NE	NE 185 ST	NE PERKINS
N 155TH ST	WESTMINISTER	AURORA AVE N
N 175TH ST	I-5	AURORA AVE N
N 185TH ST	AURORA AVE N	10 AVE NE
N 200TH ST	AURORA AVE N	MERIDIAN AVE N
NE 175TH ST	15 AVE NE	I-5
NE PERKINS WAY	10 AVE NE	15 AVE NE
NW 196TH ST	RICHMOND BCH	24 AVE NW
NW RICHMOND BEACH RD	24 AVE NW	AURORA AVE N
WESTMINISTER WAY	N 145 ST	N 155 ST
WESTMINSTER WAY N	N 155 ST	N 157 ST

### *Tukwila*

<i>route name</i>	<i>begin</i>	<i>end</i>
BOEING ACCESS RD	AIRPORT WAY	AIRPORT WY
E MARGINAL WAY	INTERURBAN	BOEING ACCESS
S 180TH STREET	W VALLEY HWY	EAST C/L

### *Woodinville*

<i>route name</i>	<i>begin</i>	<i>end</i>
NE 175TH ST	NE 173 PL	140 AVE NE
NE 195TH	SR 522	WOODINVILLE-DUVALL RD
NE WOODINVILLE-DUVALL RD	140 AVE NE	171ST AVE NE

## KITTITAS COUNTY

### *Kittitas County*

<i>route name</i>	<i>begin</i>	<i>end</i>
DAMMAN ROAD	UAB	WEST C/L

### *Ellensburg*

<i>route name</i>	<i>begin</i>	<i>end</i>
CANYON RD	DAMMAN RD	MOUNTAIN VIEW RD
MOUNTAIN VIEW AVE	MAIN ST	UAB

## LEWIS COUNTY

### *Centralia*

<i>route name</i>	<i>begin</i>	<i>end</i>
HARRISON AVE	JOHNSON RD	FIRST ST

## County Roads & City Streets

### LINCOLN COUNTY

#### *Sprague*

<i>route name</i>	<i>begin</i>	<i>end</i>
B STREET	FIFTH ST S	SECOND ST S
FIRST STREET	WEST C/L	B ST
FOURTH ST	SR 23	D ST

### PIERCE COUNTY

#### *Pierce County*

<i>route name</i>	<i>begin</i>	<i>end</i>
100TH ST SW	59TH AV SW	59TH AV SW
100TH ST SW	LAKEWOOD DR	S TACOMA WAY
116TH ST S	SPANAWAY LOOP	116TH ST S
160TH ST E	86TH AV E	SR 161
174TH ST S	SR-7 (PACIFIC)	174TH ST S
176TH ST E	SR 7	SR 161
192ND ST E	B ST	CANYON RD
200TH ST E	ORTING-KAPSOWSIN HWY	SR-161
214TH AV E	SR-410	120TH ST E
224TH ST E	SR-7	SR-161 (GRAHAM)
22ND AV S	TACOMA C/L	SALES RD
304TH ST E	at SR-7	304 ST E/KAPOWSIN HWY E
38TH AV E	BROWN RD E/O	224TH ST E
42ND AV E	200TH ST E	208TH ST E
72ND ST E	TACOMA C/L	PIONEER WAY E
8TH ST E	W VALLEY HWY	E VALLEY HWY
BRIDGEPORT WY SW	MCCHORD DR S	CHAMBERS CREEK RD
BRIDGEPORT WY W	CHAMBERS CREEK RD	TACOMA C/L
BROOKDALE RD E	48TH AV E	160 ft SE of PV
CANYON RD E	PIONEER WY E	192ND ST E
CANYON RD EXT	192ND ST E	224TH ST E
CHAMBERS CK RD W	STEILICOOM C/L	BRIDGEPORT WAY
CHAMBERS LN W	BRIDGEPORT WAY	CHAMBERS CREEK RD
CUSTER RD SW	88TH ST SW/CU	ADDRESS GRID
CUSTER RD W	75TH ST W	BRIDGEPORT W
E PT OF TAC RD	FIFE C/L	TACOMA C/L
EAST VALLEY HWY E	SUMNER C/L	KING CO-AUBURN C/L
GRAVELLY LK DR SW	I-5	WASHINGTON B
JOVITA BLVD E	SR-161	WEST VALLEY
KAPOWSIN HWY E	304 ST E	ORVILLE RD E
LAKEWOOD DR SW	BRIDGEPORT WAY	74TH ST W
LAKEWOOD DR W	74TH ST W	HANNAH PIERCE
ORCHARD ST W	HANNAH PIERCE	CIRQUE DR W
ORTING-KAPSOWIN HWY E	200TH ST E	ORTING C/L
ORVILLE RD E	KAPOWSIN HWY E	SR-162
PACIFIC HWY SW	GRAVELLY LAKE DR	PACIFIC HWY
PIONEER WY E	TACOMA C/L	PIONEER WY E
PORTLAND AV E	112TH ST E	TACOMA C/L
S 96TH ST	TACOMA C/L	SALES RD S
S TACOMA WAY	PACIFIC HWY	TACOMA C/L
S TACOMA WAY	at 112TH ST S	PACIFIC HWY
SPANAWAY LP RD S	174TH ST S	SPANAWAY LOOP
STEELE ST S	116TH ST S	SALES RD S
STEILACOOM BLVD SW	LAKEWOOD C/L	87TH AV SW
STEWART AV E	PIONEER WY E	PUYALLUP C/L
VALLEY AV E	FIFE C/L	PUYALLUP C/L
WRIGHT RD E	208TH ST E	BROWN RD E

#### *Fife*

<i>route name</i>	<i>begin</i>	<i>end</i>
54TH AVENUE	PACIFIC HWY	EAST W ROAD
PORT OF TACOMA RD	NORTH C/L	I-5
PORT OF TACOMA ROAD	I-5	20TH ST E

#### *Fircrest*

<i>route name</i>	<i>begin</i>	<i>end</i>
S ORCHARD ST	S 35TH ST	S 35TH ST

## County Roads & City Streets

<b>Steilacoom</b>	<i>route name</i> STEILACOOM BLVD	<i>begin</i> EAST C/L	<i>end</i> PUYALLUP ST
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<b>Tacoma</b>	<i>route name</i> BRIDGEPORT WY W E ALEXANDER AV E PORT OF TACOMA RD E PORTLAND AV E TAYLOR WY E TAYLOR WY ORCHARD ST W S 96TH ST S ORCHARD ST S PINE ST	<i>begin</i> TACOMA C/L ST END N E 11TH ST E 72ND ST E 11TH ST E LINCOLN AV TACOMA: WEST S ALASKA ST S 48TH ST S PIERCE PL	<i>end</i> TACOMA C/L TACOMA C/L TACOMA C/L TACOMA C/L E LINCOLN AV TACOMA C/L CIRQUE DR W TACOMA C/L S 35TH ST S 38TH ST
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### SKAGIT COUNTY

<b>Skagit County</b>	<i>route name</i> COOK RD	<i>begin</i> I-5	<i>end</i> SEDRO WOOLEY C/L
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<b>Sedro Woolley</b>	<i>route name</i> COOK ROAD	<i>begin</i> SEDRO WOOLEY C/L	<i>end</i> BORSETH (SR 20)
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### SNOHOMISH COUNTY

<b>Snohomish County</b>	<i>route name</i> 116TH ST NE 128TH ST SW 128TH ST SW 164TH ST SE 164TH ST SW 4TH AV W AIRPORT RD SEATTLE HILL RD SNOHOMISH-WOODINVILLERD at SNO/KING COUNTY LINE	<i>begin</i> I-5 S-BND E GIBSON RD 4TH AV W 164TH ST SW I-5 128TH ST SW EVERETT C/L SEATTLE HILL RD	<i>end</i> I-5 N-BOUND 4TH AV W I-5 MILL CREEK C/L 164TH ST SW 475 ft N of 112 E GIBSON RD MILL CREEK C/L at EXIT/ENT FOR SR 522
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<b>Everett</b>	<i>route name</i> 20TH AVE / SEAWAY BLVD 20TH AVE/SEAWAY BLVD 41ST ST 41ST ST AIRPORT ROAD BROADWAY E MARINE VIEW EVERETT AVE EVERGREEN WAY MADISON PACIFIC AVE RUCKER AVE W MARINE DR	<i>begin</i> JOHN FLUKE BLVD SR 526 COLBY RUCKER SR 526 41ST I-5 I-5 SR 99 MERIDAIN NORTON AVE 43RD ST PACIFIC AVE	<i>end</i> 75TH ST SW JOHN FLUKE DR I-5 COLBY S C/L SR 529 N BROADWAY EAST GRAND 43RD EVERGREEN 19TH ST CITY LIMITS SR 529
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<b>Mill Creek</b>	<i>route name</i> 164TH STREET SE MILL CREEK ROAD	<i>begin</i> WEST C/L SR 527	<i>end</i> SR 527 VILLAGE GREEN
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<b>Mountlake Terrace</b>	<i>route name</i> 220TH ST SW 66TH AVE W	<i>begin</i> SR 99 220TH ST SW	<i>end</i> 56TH AVE W 214TH ST SW
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## County Roads & City Streets

### SPOKANE COUNTY

#### *Spokane County*

<i>route name</i>	<i>begin</i>	<i>end</i>
ARGONE RD (SB)	INDIANA AVE	SPRAGUE AVE
ARGONNE RD	COLUMBIA DR	N UA BNDRY
ARGONNE RD(ONE WAY-S.B)	SPRAGUE AVE	DISHMAN-MICA
ARGONNE ROAD	INDIANA AVE	MONTGOMERY
BIGELOW GULCH RD	PALMER RD	FORKER RD
BROADWAY AVE	HAVANA ST	ARGONNE ROAD
DISHMAN/MICA	S VALLEY ART	SPRAGUE AVE
DISHMAN/MICA RD	16TH AVE	S VALLEY ART
FANCHER RD	3RD AVE	SR 290
FARWELL RD	SR 395	SR 2
FRANCIS AVE	MARKET ST	HAVANA ST
HASTINGS RD	SR 395	FARWELL RD
MARKET ST	SR 2	FARWELL RD
MONTGOMERY AVE	ARGONNE RD	WOODRUFF RD
MULLAN RD	1-90	INDIANA AVE
MULLAN RD (ONE WAY-NB)	SPRAGUE AVE	1-90
PARKSMITH DR	HAWTHORNE RD	MARKET ST
SPRAGUE AVE	HAVANA ST	ARGONE ST
SULLIVAN RD	SPRAGUE AVE	SR 290

#### *City of Spokane*

<i>route name</i>	<i>begin</i>	<i>end</i>
ASSEMBLY ST	WELLESLEY AV	DRISCOLL BLVD
BROADWAY	FREYA ST	HAVANA ST
EUCLID AVE	CRESTLINE ST	MARKET ST
HAMILTON ST	TRENT AVE	EUCLID AVE
MAPLE ST BRIDGE	PACIFIC AVE	SPRAGUE AVE
MAPLE ST BRIDGE	SPRAGUE AVE	DEAN ST
MAPLE STREET	WALNUT ST	RIVERSIDE AV
MISSION AVE	REGAL ST	TRENT AVE
MISSION ST	GREENE ST	REBECCA ST
NEVADA ST	EUCLID AVE	E HAWTHORN
NINE MILE ROAD	DRISCOLL BLV	FRANCIS AVE
NORTH FOOTHILLS DR	DIVISION ST	CRESTLINE ST
NW BLVD	ALBERTA ST	F STREET
NW BLVD-ASSEMBLY STREET	F STREET	WELLESLEY AV
SUNSET BLVD	ASSEMBLY ST	OAK STREET
WALNUT STREET	WALNUT PL	PACIFIC AVE

### WHATCOM COUNTY

#### *Bellingham*

<i>route name</i>	<i>begin</i>	<i>end</i>
CHESTNUT ST	BAY STREET	STATE ST
IOWA ST	JAMES ST	I-5
LAKEWAY DR	YEW ST	ELECTRIC AVE
LAKEWAY DRIVE	ELLIS ST	RACINE
LAKEWAY DRIVE-LAKE ST	RACINE ST	YEW ST
MERIDIAN ST	SQUALLICUM WAY	ORCHARD DR
ROEDER AVE	RR UNDERPASS	BAY ST
SQUALLICUM WAY	MERIDIAN ST	ROEDER-RR
STATE ST	CHESTNUT ST	IOWA ST
SUNSET DRIVE	BROADWAY	INTERSTATE 5

#### *Ferndale*

<i>route name</i>	<i>begin</i>	<i>end</i>
MAIN STREET	STERLING AVE	LABOUNTY RD

### YAKIMA COUNTY

#### *Yakima*

<i>route name</i>	<i>begin</i>	<i>end</i>
1ST AVE	WALNUT ST	I ST
5TH AVE	B ST	LINCOLN ST
N 8TH ST	LINCOLN AVE	G ST
SUMMITVIEW AVE	63RD AVE	40TH AVE



# **Section C**



**Report on the Appropriate  
State Freight Mobility Share  
for  
Freight Mobility Investments**

**For The  
Freight Mobility Strategic Investment Board**

**ECONorthwest**  
300 Mutual Life Building  
605 First Avenue  
Seattle, WA 98104  
(206) 622-2403

**January 25, 1999**



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## EXECUTIVE SUMMARY

In early October, 1998 the Freight Mobility Strategic Investment Board (FMSIB) contracted with ECONorthwest to devise an approach for determining the appropriate state freight mobility program funding for a list of projects that had been identified and ranked by the Freight Mobility Project Prioritization Committee (FMPPC). Our charge was to develop an objective means for determining how much of the funds dedicated to the freight mobility program the state should contribute to each of the FMSIB projects.

We evaluated four different approaches to determining the appropriate state freight mobility funding share.<sup>1</sup>

1. Negotiate an agreement between the state and local jurisdictions for each project.
2. Determine the geographic distribution of a project's economic benefits and set the state freight mobility share in proportion to the state's share of these benefits
3. Leverage state freight mobility dollars to maximize the total project benefits per million dollars of investment.
4. Start at the top of the prioritized list and fund each project subject to a maximum state freight mobility contribution of 65% of project cost with a cap of \$50 million per project.

After reviewing the alternatives, the Freight Mobility Strategic Investment Board adopted the fourth approach.

### Alternative Approaches to Establishing State Share

#### 1. Negotiate agreements on state freight mobility share among the project participants

##### Pros:

- Negotiated agreements would allow the parties to a project to agree on a "fair share" and account for the unique circumstance of a particular project.
- A negotiated approach avoids the difficulty of reaching agreement on a purely objective method that mechanistically determines what the state freight mobility share should be.

##### Cons:

- Negotiated agreements lack objectivity and may result in insufficient participation by some partners.

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<sup>1</sup> For this report, we use the term state freight mobility share to mean those state funds that are dedicated to enhancing freight mobility. For many projects, there may be other sources of funding that are allocated by the state. We have not addressed the issue of what the appropriate total level of state funding is for these projects; rather, we focus on how much from the state funds dedicated to freight mobility should be allocated.

- Legislative leadership expressed an interest in an objective method of setting state freight mobility share.
- Negotiations would be time consuming and make it difficult for project proponents to plan.

## **2. Set state freight mobility share in proportion to the geographic distribution of a project's benefits**

### Pros:

- It seems logical that if the benefits of the project are 80% local, then the local jurisdiction should fund 80% of the project. If, on the other hand, 60% of a project's benefits accrue to those who live and work outside the local jurisdiction, the state should fund 60%.
- Using data on freight origins, destinations, and commodity values would provide an objective means for determining the state freight mobility share.

### Cons:

- It would be difficult to agree on a method for allocating benefits to a particular jurisdiction. If a freight mobility improvement lowers the cost of moving a container through Puget Sound to eastern Washington, do you allocate the benefit to the Port of Seattle, the shipper based in Snohomish County, the producer of the container's contents in Japan, or the end consumer in Spokane? To whom do you allocate the benefits of freight mobility on the backhaul?
- The data are not available for each project on the list regarding the origins, destinations, and value of the freight it would move. Even if an analytic framework for allocating economic benefits to jurisdictions could be worked out, the data are not currently available to do so.

## **3. Leverage state dollars to maximize the total project benefits per million dollars of state freight mobility investment.**

### Pros:

- The state freight mobility program should try to get the most "bang for the buck" for its investment in a project. The program should set a goal for a minimum return of total project benefits for each million dollars of investment.
- Data are available from the project applications to calculate the annual benefits from time savings to truck movement, time savings to passenger vehicles, and savings from reduced accidents. These benefits typically represent a major share of the total benefits of most road improvements.
- A workable model can be constructed that develops an "objective" state freight mobility share for each of the proposed projects by setting a target level of benefits per million dollars of program investment with a guaranteed minimum of funding.



**Cons:**

- The measure of benefits that one can calculate from time and accident savings for trucks and cars is incomplete. It does not account for the value of increased *rail* freight mobility, it does not include improvements in system reliability, nor does it account for changes in the pattern of benefits and costs over time. In short, it is an imperfect measure of a project's benefits.
- Calculating a separate "benefit index" undercuts the work that was already done developing scores to rank the projects. The ranking process attempted to evaluate those aspects of the projects that are not easily expressed in dollars. The mechanism for setting state freight mobility share should not ignore these real, but difficult to quantify, benefits.
- An allocation model targeting benefits per program dollar is difficult to explain to policymakers and the public.

**Adopted Approach to Establishing State Share**

After discussing pros and cons and reviewing the data and a prototype of a model for the third approach, the Freight Mobility Strategic Investment Board adopted the following strategy for determining state freight mobility share.

- *Projects should be funded according to their order on the prioritization list.* The project ranking represents the FMSIB's efforts to identify the best projects. The state has an interest in seeing that the best freight projects are done first.
- *The freight mobility program share should not exceed 65% of total project cost unless the Board grants a special exception.* An explicit goal of the Freight Mobility Strategic Investment Board has been to encourage non-program sources of funding while still maintaining the flexibility to address extenuating circumstances. By capping the state freight mobility share at 65%, the Board would essentially require minimum partnership funding of 35%.
- *The Board should set a cap of \$50 million for any one project.* The Board has an interest in moving as many projects as possible forward in all areas of the state. Capping the number of dollars going to any one project helps to ensure that the available dollars will flow farther down the list.
- *Projects can move up the list by increasing their funding from partners.* The current ranking system provides 1 point for each 4% of partnership funding, up to a maximum of 20 points. Projects that want to move up the list can do so by increasing their partnership share. Thus, the incentive for developing further partnership funding is maintained throughout the funding process.

The adopted approach takes full advantage of the work already done by the FMPPC. Rather than requiring the development of a new benefit index that does not capture the complete range of benefits, the adopted approach uses the implicit benefit measures developed by the FMPPC ranking process. Each project is ranked, and therefore funded, according to an extensive set of benefits. The following table shows a list of the benefits considered and the maximum points available in the scoring process developed by the FMPPC:

**Table 1. FMPPC Scoring Criteria**

<b>Evaluation Criteria</b>	<b>Maximum Score</b>
Increased freight mobility for the project area	35
Increased freight mobility for the region, state, and nation	30
Increased general mobility	25
Safety improvements	20
Direct economic effects	10
Environmental effects	10
Level of local partnership	25
Consistency with regional and state plans	5
Cost	10
Other special issues	8
<b>Total</b>	<b>178</b>

While the Board adopted this approach for the current project list, they also discussed the need to revisit these issues in the future. With more information and time, the second or third approach to state freight mobility share could be viable alternatives.

### **Implications of the Adopted Strategy**

The accompanying table shows the state freight mobility share of project funding using the adopted approach. The order of projects reflects a recent re-scoring and re-ranking of the list based on updated figures for total cost, requested funding, and accident reductions. The first column in the table gives the current rank of the project on the list. Following, are columns listing the lead agency, regional designation, project name, and the updated project score. The last column on the table provides a running total of the recommended allocation of state freight mobility program dollars.

The legislation authorizing the Board requires regional equity in the distribution of freight mobility program dollars (at least 15% of allocated funds should go to each of three regions). The percentage allocated to each region varies as one funds projects down the priority list. Final funding recommendations will need to account for this legislative requirement.

In total, the adopted funding strategy would require roughly \$472 million to fund all 48 projects currently on the list.

Table ES-1: Ranked List of Freight Mobility Projects and Proposed State Share

Rank	Agency	Region	Project Name	Score	Total Project Cost \$M	Funding Request \$M	Allocated Funding \$M	Percent Requested	Percent Allocated	Running Total \$M
1	WSDOT - Northwest Region	PS-F	SR 519 Intermodal Access Project	124.4	146.89	38.600	38.600	26%	26%	\$ 38.60
2	WSDOT - Northwest Region	PS	SR 509 South Access Completion	117.4	167.04	50.000	50.000	30%	30%	\$ 88.60
3	Port of Seattle	PS-F	East Marginal Way Ramps	108.5	23.60	6.921	6.921	29%	29%	\$ 95.52
4	WSDOT - Olympic Region	PS-F	SR 509/Port of Tacoma Rd. Grade Separation	108.0	33.67	9.000	9.000	27%	27%	\$ 104.52
5	WSDOT - Olympic Region	PS-F	SR 167 SR 509 to SR 161	104.6	44.53	12.200	12.200	27%	27%	\$ 116.72
6	Port of Longview	WW	Port of Longview Alternate Rail Corridor	102.9	11.62	2.800	2.800	24%	24%	\$ 119.52
7	WSDOT - South Central Region	WW	I-90 Snowshed	99.1	153.80	45.600	45.600	30%	30%	\$ 165.12
8	Kelso	WW	Allen Street Bridge Replacement	98.7	25.50	3.108	3.108	12%	12%	\$ 168.23
9	Port of Everett	PS-F	California St. Overcrossing/ Port of Everett	91.5	10.00	5.000	5.000	50%	50%	\$ 173.23
10	Port of Tacoma	PS	Lincoln Ave. Grade Separation	88.0	8.40	4.200	4.200	50%	50%	\$ 177.43
11	Everett	PS-F	38th St. Railway Overcrossing/ Riverfront Parkway	86.2	16.00	7.300	7.300	46%	46%	\$ 184.73
12	Union Gap	EW	Valley Mall Blvd. Extension	84.2	10.00	4.975	4.975	50%	50%	\$ 189.70
13	Seattle	PS-F	South Spokane St. Viaduct	82.9	57.57	25.000	25.000	43%	43%	\$ 214.70
14	Auburn	PS-F	South 277th St. (BNSF & UPS)	81.7	35.85	13.800	13.800	38%	38%	\$ 228.50
15	Puyallup	PS-F	Shaw Rd. Extension	80.2	15.00	6.000	6.000	40%	40%	\$ 234.50
16	Prosser	EW	Wine Country Rd.	79.1	13.50	8.775	8.775	65%	65%	\$ 243.28
17	Port of Pasco	EW	SR 397 Almsworth Ave. Grade Crossing	78.6	7.97	5.177	5.177	65%	65%	\$ 248.46
18	Tacoma	PS-F	D St. Grade Separation	78.3	22.50	9.150	9.150	41%	41%	\$ 257.61
19	Auburn	PS-F	3rd St. SW/BNSF	78.0	27.60	10.000	10.000	36%	36%	\$ 267.61
20	Pierce County	PS-F	North Canyon Rd. Northern Exten./BNSF Overcrossing	77.2	6.00	2.000	2.000	33%	33%	\$ 269.61
21	Kennewick	EW	Columbia Center Blvd. Railroad Crossing	76.1	15.00	6.000	6.000	40%	40%	\$ 275.61
22	Pierce County	PS-F	8th St. East / BNSF Mainline Grade Separation	75.9	10.00	4.000	4.000	40%	40%	\$ 279.61
23	Tukwila	PS-F	S. 180th St. Grade Separation	74.4	15.00	6.000	6.000	40%	40%	\$ 285.61
24	Colville	EW	Colville Alternate Truck Route	74.3	5.50	2.000	2.000	36%	36%	\$ 287.61
25	Walla Walla	EW	SR 125/ SR 12 Interconnect (Myra Rd. Exten.)	73.4	6.50	4.225	4.225	65%	65%	\$ 291.83
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28	Port of Kalama	WW	Port of Kalama Industrial Park Bridge	67.8	3.60	1.800	1.800	50%	50%	\$ 303.63
29	Everett	PS-F	E. Marine View Drive Widening	67.5	6.10	0.600	0.600	10%	10%	\$ 304.23
30	WSDOT - Northwest Region	PS	SR 18 Weyhauser Way to SR 187 Truck Lane	66.9	10.61	6.897	6.897	65%	65%	\$ 311.13
31	Benton County	EW	Port of Kennewick Road (Exten. of Pier Rd.)	66.5	1.84	0.523	0.523	28%	28%	\$ 311.65
32	WSDOT - North Central Region	EW	SR 28, SR 2 / 97 to 9th St.	65.1	31.50	17.260	17.260	55%	55%	\$ 328.91
33	WSDOT - Eastern Region	EW	I-90 Arbonne to Sullivan	63.7	28.75	14.000	14.000	49%	49%	\$ 342.91

Ranked List of Freight Mobility Projects and Proposed State Share (continued)

Rank	Agency	Region	Project Name	Score	Total Project Cost \$M	Funding Request \$M	Allocated Funding \$M	Percent Requested	Percent Allocated	Running Total \$M
34	Spokane County	EW	Park Rd. at BNSF Main Line	62.3	8.40	4.200	4.200	50%	50%	\$ 347.11
35	WSDOT - South Central Region	EW	US 12, SR 124 I/S to Jct. SR 730	62.1	5.08	3.245	3.245	64%	64%	\$ 350.36
36	WSDOT - North Central Region	EW	SR 17, Pioneer Way to Stratford Rd.	56.0	12.50	11.431	8.125	91%	65%	\$ 358.48
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38	Yakima	EW	Elevated Trail from I St. to Yakima Ave.	53.9	82.00	41.000	41.000	50%	50%	\$ 409.88
39	Yakima	EW	Washington Ave. Grade Separation	52.2	18.00	7.200	7.200	40%	40%	\$ 417.08
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41	WSDOT - North Central Region	EW	SR 97, Blewett Pass Hwy. Truck Lanes	50.6	21.00	20.000	13.650	95%	65%	\$ 433.73
42	WSDOT - Eastern Region	EW	I-90 Sprague to Argonne	47.0	25.23	16.250	16.250	64%	64%	\$ 449.98
43	Asotin County	EW	SR 129/Fleishman Way Interchange	45.7	4.75	4.087	3.088	86%	65%	\$ 453.07
44	WSDOT - Eastern Region	EW	I-90 Sullivan to Harvard	45.2	14.10	9.100	9.100	65%	65%	\$ 462.17
45	Yakima	EW	Mead Ave. Grade Separation	41.9	18.00	7.200	7.200	40%	40%	\$ 469.37
46	Benton County	EW	Ward Gap at BNSF	36.2	0.15	0.067	0.067	45%	45%	\$ 469.44
47	Benton County	EW	Richards at BNSF	36.2	0.15	0.067	0.067	45%	45%	\$ 469.50
48	WSDOT - North Central Region	EW	SR 28 & SR 281, So. and East Quincy Multilane Exten.	33.9	4.50	4.300	2.925	96%	65%	\$ 472.43
				<b>Total</b>	<b>1,232</b>	<b>484,458</b>	<b>472,427</b>			

Region:

PS-F: FAST Corridor Project

PS: Puget Sound

VWV: Western Washington outside Puget Sound

EW: Eastern Washington

\* I-90 Snowshed was determined to be a statewide facility by FMSIB

## INTRODUCTION

In early October, 1998 the Freight Mobility Strategic Investment Board contracted with ECONorthwest to devise an approach for determining the appropriate state freight mobility program funding for a list of projects that had been identified and ranked by the Freight Mobility Project Prioritization Committee (FMPPC). Our charge was to develop an objective means for determining how much of the funds dedicated to the freight mobility program the state should contribute to each of the FMSIB projects.

As part of our assessment of various allocation strategies, ECONorthwest has also identified potential areas for further research as the Board gains experience with the strategic investment process. Potential areas of further research and inquiry include: 1) addressing gaps in the information available for project evaluation, 2) refining the processes for setting priorities and determining the state freight mobility share, and 3) exploring the potential for alternative funding strategies.

This report begins with a section briefly discussing the key assumptions and constraints that helped form our analysis. The next section outlines the range of alternative approaches we considered for determining the appropriate state freight mobility share, concluding with a detailed discussion of the strategy ultimately adopted by the Freight Mobility Strategic Investment Board. Next we discuss some issues of potential interest to the Board as areas for research at a future date.

## KEY ASSUMPTIONS FOR SETTING STATE SHARE

ECONorthwest conducted the analysis in this report using the following assumptions:

1. Our goal, and the goal of the Freight Mobility Strategic Investment Board, was to build on work already done by the FMPPC. We embarked on our task with a complete list of projects that had been scored and prioritized according to criteria developed by the FMPPC. Our job was to add value and help carry the process forward from there.
2. Due to constraints in time and budget, any mechanism developed for determining state freight mobility share would require data that were already available or could be assembled quickly by staff.
3. The current cycle of ranking projects and setting the state freight mobility funding share represents the first step in an ongoing process. As the Board gains experience it will want to adjust some of its methods and procedures. Therefore, an important part of our task included reporting to the Board those areas in which further research could aid future decision-making.

## ALTERNATIVES CONSIDERED

Given the assumptions outlined previously, we evaluated the four following alternatives for setting the state freight mobility share:

1. Negotiate an agreement among the state and local jurisdictions for each project.
2. Determine the geographic distribution of a project's economic benefits and set the state freight mobility share in proportion to the state share of these benefits
3. Leverage state freight mobility program dollars to maximize the total project benefits per million dollars of investment.
4. Start at the top of the prioritized list and fund each project subject to a maximum state freight mobility program contribution of 65% of project cost, with an absolute cap of \$50 million per project.

After reviewing the alternatives, the Freight Mobility Strategic Investment Board adopted the fourth approach to determining state freight mobility share. Following, we provide a brief discussion of the advantages and disadvantages of the first three approaches, accompanied by a detailed outline of the adopted strategy.

## NEGOTIATE AGREEMENTS BETWEEN PROJECT PARTNERS AND THE STATE

For the delivery of some public services, there are economic imperatives that argue for control and funding at a particular level of government. It makes sense, for example, for decisions regarding public investments providing neighborhood benefits (such as libraries and pocket parks) to lie in the hands of a city. In most instances, these kinds of public services are clearly local in nature and therefore are selected, funded, and managed by the local government.<sup>2</sup> For other public services, like national defense, economic theory argues for placing primary responsibility with the federal government.<sup>3</sup>

For some public services, however, such clear distinctions do not exist. For these services, there are wide variations in how control and costs are distributed between federal, state, and local jurisdictions. Consider public schools. In some states the majority of public school funding comes from taxes levied by local jurisdictions. In others, most of the funding comes from taxes levied on the state level. This variation in funding responsibility suggests that for some services like education, cost are not obviously allocated to a certain level of government.

In fact, in Washington State, the partnership between state and local jurisdictions must be viewed as just that—a partnership. The state government confers authority to the local jurisdictions to provide certain services, and, to raise money to meet those service demands. The current distribution of funding effort in areas such as education and

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<sup>2</sup> One important exception in the U.S., the federal Community Development Block Grant program, is primarily intended for local investments in economically disadvantaged communities. In this case, the appropriate federal purpose is affecting an income transfer to low income communities. In any case, the decision about what projects to fund CBDG money is made locally.

<sup>3</sup> A more thorough discussion of the functional distribution of expenditures between local, state, and federal jurisdictions can be found in *Financing State and Local Governments, Third Edition*, by James A. Maxwell and J. Richard Aronson.

transportation are the result of the particular historical circumstances at the time of the adoption of the governing law. That allocation of effort represented a negotiated agreement among the lawmakers of the time. One approach to resolving the state freight mobility share issue is to formalize that negotiation process for each project.

If, for example, the state established a goal of getting as many of the identified freight mobility projects done as possible, while raising state taxes as little as possible, then the freight mobility program could work down the list of projects and provide each jurisdiction with precisely the minimum number of dollars it will take to get each project done. Of course, this presumes that each local jurisdiction would be willing to use a certain portion of their revenues to fund the project. If that is indeed the case, then the way to get the most projects completed is for the state to engage in negotiations with each jurisdiction to find out exactly how much the partners would be willing to pay to get the project finished, and then use state freight mobility dollars only to finance the rest.

An advantage of negotiating individual agreements with each jurisdiction is that, if the state were successful in its negotiations, then they could maximize the number of projects completed with a given number of state freight mobility program dollars available. An additional advantage would be that each project's unique circumstance would be fully taken into consideration.

Disadvantages of the negotiation approach include: 1) the strategy would be difficult to implement, 2) effectiveness of the strategy would depend heavily upon the skill of the negotiator, and 3) direct negotiations would likely not allow full participation by all stakeholders in the process. A final disadvantage of the negotiation approach is that state legislative leadership expressed an interest in deriving an objective method for determining the appropriate state freight mobility share of funding, and negotiations would not achieve this goal. Ultimately, these disadvantages render the negotiation strategy an inappropriate mechanism for determining state freight mobility share.

## **DISTRIBUTE FUNDING ACCORDING TO PATTERN OF BENEFITS RECEIVED**

When looking at allocation of the costs of freight mobility investments, it is attractive to think of looking at specific attributes of the freight moving across a given link, and then using those attributes to determine how the costs of providing that link should be shared. It seems logical, for example, that if the benefits of a given project are 80% local, then the local jurisdiction should pay 80% of the cost of the project. If, on the other hand, 60% of a project's benefits accrue to those who live and work outside the local jurisdiction, then it seems reasonable that a governing body with wider jurisdiction (like the state) should pay 60% of the cost.

One could envision an approach that would analyze the freight on a particular facility by evaluating factors such as type of freight, value, origin, and destination. Using these factors, one could develop guidelines to define what portion of the benefits are local in nature and what portion accrue to people outside the immediate area. Based on this profile, one could determine how to share the costs of the given investment.

There are significant stumbling blocks to this approach. First, it would be difficult to reach agreement on a method for distinguishing what, exactly, is a local benefit and what is not. For instance, if a freight mobility investment lowers the cost of moving a container through Puget Sound to eastern Washington, do you allocate the benefit to the Port of Seattle, the shipper based in Snohomish County, the producer of the container's contents in Japan, or to the retailer and end consumer in Spokane? Then, to whom do

you allocate the benefits of reduced costs on the backhaul? Finally, even if a framework for allocating economic benefits to jurisdictions were to be developed, the data are not currently available to actually carry this task out. It would not be impossible to collect data of this sort, but it has not yet been done. Given the lack of data, a scheme for determining state freight mobility share by the geographic distribution of benefits is not currently practicable.

## **MAXIMIZE QUANTIFIED BENEFITS PER STATE FREIGHT MOBILITY DOLLAR INVESTED**

The third approach we considered for determining the state freight mobility funding share is based on the concept that the Freight Mobility Strategic Investment Program should try to get the most “bang for the buck” from its investments. Under this approach, a project’s state freight mobility share would depend directly on how many benefits it would generate.

In practice, the approach would work as follows:

1. Count up the number of benefits each investment is expected to generate.
2. Set a target for the number of benefits the freight mobility program wants to get for each million dollars it invests.
3. Starting at the top of the list, start giving dollars to each project and keep giving it dollars as long as the benefits per freight mobility program dollar invested are higher than the target. If the freight mobility dollars dedicated to the project get to the point where they are high enough that the benefits-per-dollar are about to fall below the target, stop pledging funds to that project and move down the list to the next investment.

Under this approach, the State would be able to use available information on projected time savings for trucks, time savings to passenger vehicles, and savings from reduced accidents as measures of the benefits of each project. These benefits typically represent a major share of the total benefits of most road improvements.

The strategy of assigning a target benefits per dollar provides a way to maximize the number of (counted) benefits generated for a given number of program dollars invested. An additional advantage of this approach is that it provides a mechanism for using the available data in an “objective” way to determine the state freight mobility share of funding.

A disadvantage of the target benefit approach is that the measure of benefits one can calculate from projected time savings and accident reductions is incomplete. The measure of benefits does not account for the value of increased rail freight mobility, it does not include improvements in system reliability, nor does it account for how the patterns of benefits and costs might change over time. In short, it is an imperfect measure of a project’s benefits.

Another disadvantage of the target benefit approach is that the process of calculating a separate “benefit index” using only time savings and accident reductions undercuts the work that was already done developing scores to rank the projects. The ranking process attempted to evaluate those aspects of the projects that are not easily expressed in dollars. The mechanism for setting state freight mobility share should not ignore these real, but difficult to quantify, benefits.



A final disadvantage of the third scheme revolves around questions of complexity and transparency. While the concept of deriving a composite measure of benefits, and then applying a target for cost effectiveness is economically and mathematically sound, the process is not especially transparent to project applicants, nor is it easy to explain to policymakers and the public.

## THE ADOPTED APPROACH

After discussing pros and cons and reviewing the data and a prototype of a model for the third approach, the Freight Mobility Strategic Investment Board adopted the following strategy for determining state freight mobility share.

- *Projects should be funded according to their order on the prioritization list.* The project ranking represents the Freight Mobility Strategic Investment Board's efforts to identify the best projects. The Board has an interest in seeing that the best freight projects are done first.
- *The state freight mobility share should not exceed 65% of total project cost unless the Board grants a special exception.* An explicit goal of the Freight Mobility Strategic Investment Board has been to encourage non-program sources of funding while still maintaining the flexibility to address extenuating circumstances. By capping the state freight mobility share at 65%, the Board would essentially require minimum partnership funding of 35%.
- *The Board should set a cap of \$50 million for any one project.* The freight mobility program has an interest in moving as many projects as possible forward in all areas of the state. Capping the number of dollars going to any one project helps to ensure that the available dollars will flow farther down the list.
- *Projects can move up the list by increasing their funding from partners.* The current ranking system provides 1 point for each 4% of partnership funding, up to a maximum of 20 points. Projects that want to move up the list can do so by increasing their partnership share. Thus, the incentive for developing further partnership funding is maintained throughout the funding process.

The recommended approach takes full advantage of the work already done by the FMPPC. Rather than requiring the development of a new benefit index that does not capture the complete range of benefits, the recommended approach uses the implicit benefit measures developed by the FMPPC ranking process. Each project is ranked, and therefore funded, according to an extensive set of benefits. The following table shows a list of the benefits considered and the maximum points available in the scoring process developed by the FMPPC:

**Table 1. FMPPC Scoring Criteria**

<b>Evaluation Criteria</b>	<b>Maximum Score</b>
Increased freight mobility for the project area	35
Increased freight mobility for the region, state, and nation	30
Increased general mobility	25
Safety improvements	20
Direct economic effects	10
Environmental effects	10
Level of local partnership	25
Consistency with regional and state plans	5
Cost	10
Other special issues	8
<b>Total</b>	<b>178</b>

While the Board adopted this approach for the current project list, they also discussed the need to revisit these issues in the future. With more information and time, the second or third approach to state freight mobility share could be viable alternatives.

Table 2. Ranked List of Freight Mobility Projects and Proposed State Share

Rank	Agency	Region	Project Name	Score	Total Project Cost \$M	Funding Request \$M	Allocated Funding \$M	Percent Requested	Percent Allocated	Running Total \$M
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43	Asotin County	EW	SR 129/Fleishman Way Interchange	45.7	4.75	4.087	3.088	86%	65%	\$ 453.07
44	WSDOT - Eastern Region	EW	I-90 Sullivan to Harvard	45.2	14.10	9.100	9.100	65%	65%	\$ 462.17
45	Yakima	EW	Mead Ave. Grade Separation	41.9	18.00	7.200	7.200	40%	40%	\$ 469.37
46	Benton County	EW	Ward Gap at BNSF	36.2	0.15	0.067	0.067	45%	45%	\$ 469.44
47	Benton County	EW	Richards at BNSF	36.2	0.15	0.067	0.067	45%	45%	\$ 469.50
48	WSDOT - North Central Region	EW	SR 28 & SR 281, So. and East Quincy Multilane Exten.	33.9	4.50	4.300	2.925	96%	65%	\$ 472.43
				<b>Total</b>	<b>1,232</b>	<b>484.458</b>	<b>472.427</b>			

Region:

PS-F: FAST Corridor Project

PS: Puget Sound

WW: Western Washington outside Puget Sound

EW: Eastern Washington

\* I-90 Snowshed was determined to be a statewide facility by FMSIB

## **IMPLICATIONS OF THE ADOPTED STRATEGY**

The tables on the preceding pages show the state freight mobility share of project funding based on the Freight Mobility Strategic Investment Board's adopted approach. The order of projects reflects a recent re-scoring and re-ranking of the list based on updated figures for total cost, requested funding, and accident reductions. The first column in the table gives the current rank of the project on the list. Following, are columns listing the lead agency, regional designation, project name, and the updated project score. The last column on the table provides a running total of the recommended allocation of state freight mobility program dollars.

The legislation authorizing the Board requires regional equity in the distribution of freight mobility program dollars (at least 15% of allocated funds should go to each of three regions). The percentages to each region vary as one funds projects down the priority list. Final funding recommendations will need to account for this legislative requirement.

In total, the adopted funding strategy would require roughly \$472 million to fund all 48 projects currently on the list.

## **THE LINK BETWEEN PRIORITIZATION AND FUNDING**

There is a strong linkage between the project prioritization process and the determination of state freight mobility funding share. In the current cycle, the Board's adopted funding strategy relies heavily on the initial FMPPC ranking process. Except for some constraints on maximum funding levels, the only determining factor for whether a project receives its requested funding or not is the relative ranking that project earns through the FMPPC scoring process. While the strategy for determining state freight mobility share may evolve into a more complex process with time and further research, it is likely that the link between prioritization and freight mobility share will remain strong into the future. In the end, the two questions: "What projects will receive funding?" and "What share of funding will be furnished by the freight mobility program?" are two sides of the same coin. As such, it makes sense to view their solutions in tandem.

A consequence of the strong linkage between the prioritization process and that of determining state freight mobility share may be that, in future cycles, each process should be refined with an eye towards the other. If, for example, the Board decides in the future that it wants to move towards our second or third strategy for determining state freight mobility share, then it makes sense that the additional information needed to make either of these approaches work should also be used in the prioritization phase of the cycle. Alternatively, if members wish to continue refining the current approach to determining state freight mobility share, then bearing in mind the critical importance of prioritization, the Board may want to revisit the scoring process.

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## AREAS FOR FUTURE RESEARCH

One of the working assumptions of our analysis has been that the current cycle of the Freight Mobility Strategic Investment Program should be viewed as a beginning stage of an ongoing investment process. Based on this assumption, as we explored approaches for determining the appropriate state freight mobility share of funding, we also identified areas that the Board might want to address as it develops its strategy for the future. These areas for further research fall into two general categories:

1. Supplemental data that would be of value in assessing potential investments  
and
2. Development of a more comprehensive economic framework for approaching and assessing those investments

In the following sections, we briefly identify and discuss aspects of each of these categories.

### The need for more complete data

Whether an investment is private or public in nature, investments are made for one reason: because the investor believes that the ultimate benefits resulting from an expenditure will exceed the total costs. In order to make wise investment decisions, therefore, it is crucial that decisionmakers have accurate information about what kind of benefits they should expect to reap, and how large those anticipated benefits might be.

Currently, the available data on freight movement throughout Washington State is incomplete. There are many things an investor in freight mobility would like to know, but for which we have little or no consistent data. As part of its strategy for improving the investment process, the Board may want to address these shortcomings. The Board might want to dedicate additional resources to developing more complete data streams that would make future investments more efficient.

### Data that would be of value

#### 1. The value of goods moving across given links

Given the technologies currently available, there are opportunities to develop data streams detailing where freight is moving, what kind of goods are included in that movement, and what the value of those goods are. This information would be of enormous help in accurately predicting the economic impacts of a given freight mobility investment.

#### 2. Origins and destinations of goods

As with tracking the value of goods moving across a link, tracking the origins and ultimate destinations of those goods has become increasingly feasible over recent years. Information on the origins and destinations of goods, combined with the aforementioned information on the general value of goods, would allow extremely detailed analysis of where economic benefits of a given freight mobility investment would be likely to accrue. This data would be of value both in determining whether the state is interested in

making the investment in the first place, and in determining what the appropriate state freight mobility funding share might be.

### **3. Development of consistent methods of benefit assessment**

Currently, each project proponent develops their own estimates of travel time savings. The methods used in these estimates are not always consistent and may skew the analysis of benefits.

## **Developing a more extensive economic framework**

### **A Framework for Assessing Benefits**

Given the strong linkage between the prioritization process and the strategy for determining state freight mobility share, the Freight Mobility Strategic Investment Board may deem it prudent to reexamine how the prioritization process works. Over the last half-century a large body of knowledge has accumulated about how investments like those for freight mobility can best be evaluated. With this in mind, the Board might be interested in asking, “How well does the current prioritization framework stack up against the best practices that have been developed within WSDOT and around the world?”

### **Private versus Public Goods**

While the processes we have examined as part of our task of assessing strategies for approaching state freight mobility share are narrow in their scope, it is sometimes worthwhile to step back and view issues from a broader perspective.

As economists, when we began our task of identifying a strategy for determining state freight mobility share, we started by asking: “What does economics have to say about allocation of the costs of goods in general?” In answer to this question, when the fundamentals of economic theory are applied rigorously to investments in freight mobility, a new perspective is opened up for how the funding of projects might be approached in the future. For some, the implications of this perspective might be surprising. We believe, however, that what economics has to say about cost allocation can provide food for thought when thinking about future approaches to freight mobility investments.

On the following pages we include a brief discussion of what economic theory has to say about how the costs of goods can most efficiently be distributed. We encourage readers who are interested in the details of the theory to read through the following pages of detail. For those who are not interested in the details of economic theory, we begin with the following summary of what economics has to say about cost allocation:

1. All goods can be categorized somewhere in a spectrum between pure “private” and pure “public” goods. How a good is most efficiently produced, and how the costs of that good are efficiently allocated, depend on where in that spectrum the particular good falls.
2. Due to the nature of “public” goods, these goods will not be efficiently provided if provision is left to private firms in a free market. In order to provide these goods at

an efficient level, a governing body must sometimes make use of its legal ability to coerce, imposing some form of taxation and thereby providing the good.

3. "Private" goods, on the other hand, will be most efficiently provided, and costs will most equitably be distributed, when prices are charged directly to the users of the good.
4. According to the economic definition of private and public goods, freight mobility investments have many characteristics of private goods. Therefore, economic theory argues that the most efficient strategy for allocating costs of such investments would require charging direct fees for use by freight carriers. This strategy would promote both efficient provision of the good and equitable cost allocation.

The following pages provide a more detailed discussion of the economic fundamentals of cost allocation. Included in this discussion are definitions of what differentiates "private" from "public" goods, the rationale behind the socially optimal provision of each, and a brief discussion of why freight mobility investments have the characteristics of private goods.

### Economic Definition of Private and Public Goods

According to economic theory, two characteristics are used to distinguish between a private and a public good.

1. How easy or difficult it is to exclude outsiders from partaking in the consumption of the good.
- and
2. Whether consumption of the good is rival or non-rival in nature.

While the first of these characteristics is relatively self-explanatory, the second warrants some clarification. A good's consumption is characterized as **non-rival** if one person's ability to enjoy its benefits is not diminished by other people's consumption of the same good. An example of such a good is tonight's television program. My ability to enjoy the program is unaffected by whether someone across town tunes into the same program at the same time or not. Conversely, a good's consumption is **rival** if one person's enjoyment of a good is diminished by another's consumption. An apple is an example of a rival good because it can be consumed only once. My ability to consume the apple in my refrigerator is definitely impacted by whether or not my neighbor drops by and consumes it first.

By definition, a good is a pure public good if it is both difficult to exclude outsiders from enjoying the good, and if the good's consumption is non-rival in nature. A classic example of a pure public good is mosquito control for a city. Once mosquito control is implemented, there is essentially no way to exclude people in the area from enjoying the benefits. At the same time, consumption of the good is non-rival because one person's enjoyment of mosquito control is essentially unaffected by whether other people are enjoying it or not.

At the other end of the spectrum, a good is a pure private good if it is relatively easy to exclude outsiders from consuming it and if the good's consumption is rival in nature.



The apple in my refrigerator at home is a pure private good because its consumption is rival and, at the same time, if I so choose, it is relatively easy for me to prevent my neighbor from dropping by and eating it on me.

The following table provides a reference for the differentiation between private and public goods.<sup>4</sup>

	<b>Able to Exclude Outsiders</b>	<b>Unable to Exclude Outsiders</b>
<b>Rival Consumption</b>	Pure Private Good	
<b>Non-rival Consumption</b>		Pure Public Good

**Public Goods: Production/Cost Allocation Mechanisms**

Due to the nature of public goods, economic theory states that, if left to be produced by private firms in a competitive market, these goods will be produced at something less than the socially optimal level. The reasons behind this statement are related to the public good’s defining characteristics. Because it is difficult to exclude outsiders from enjoying a good, it is difficult to charge a price for it. Because consumption of the good is not rival, even if it were possible to charge users, it is not clear what the socially optimal price might be. Therefore, in the case of producing public goods, the interests of a private, profit seeking firm facing practical considerations and the interests of maximizing societal welfare do not coincide.

The first distinguishing characteristic of a pure public good is that it is difficult to exclude outsiders from enjoying the benefits of the good. A consequence of this lack of exclusivity is that someone who wants to produce a public good stands little chance of selling what he or she makes to all the people to whom it has value. For example, as a private seller of mosquito control, if I go door to door trying to get households to pay for my services, each household I talk to has an incentive to understate how much they actually value insect control. Armed with the knowledge that they will receive a full share of benefits whether they pay a full share of the costs or not, and knowing that if they pay \$5 rather than \$10 it isn’t going to have much effect on the city’s total purchase of mosquito control anyway, every household has an incentive to try to cut down on how much they pay. As a consequence, even though the households of my city really want comprehensive mosquito control, and even though, in total, they might be willing to pay a full \$1 million to get it, when I go door to door I am able to collect only a portion of that million dollars. In the end, instead of getting complete mosquito control, which people really want, the city gets only partial insect control, or perhaps none at all.

<sup>4</sup> A more thorough discussion of the nature of public and private goods can be found in *Benefit-Cost Analysis In Theory and Practice*, by Richard O. Zerbe, Jr and Dwight D. Dively.

The second distinguishing characteristic of a pure public good is that its consumption is non-rival in nature, meaning that the benefit derived by one person from mosquito control is not diminished by someone else's consumption of the same good. By definition, therefore, once a non-rival good has been produced, the marginal cost of providing the good to one, ten, or one hundred extra people is zero. From a social welfare perspective, this means that the optimal unit price for purchase of the good, at least for some people, should be zero as well. In other words, once the good has been produced at a fixed cost, the way to get the most benefits is to get as many people to take advantage of the good as possible, even if the good has only a very small value to them. After all, every additional user increases the total benefit generated by the good, while adding nothing to the cost. Ultimately, this means that, even if a unit price could be applied to a public good, the tenants of welfare maximization might require that it not be.

Of course, if a private, profit-seeking individual is providing the good, he or she has little interest in giving the product away to anybody. Giving the product away, even to only a few people, doesn't increase profits. Furthermore, if potential buyers begin to believe that they can get the good for free at some point, they may decide not to buy it.<sup>5</sup>

When we combine the attributes of non-rival consumption and lack of exclusivity in a single good, we have a "public" good whose efficient provision within the private sector proves difficult.

### **Private Goods: Production/Cost Allocation Mechanisms**

As opposed to a public good, economic theory states that a private good *will* be efficiently provided in a marketplace where users pay a unit price that is equal to the marginal cost of producing the good. As with public goods, the reasons behind this phenomenon are directly related to the attributes that define the good. Because it is relatively easy to prevent outsiders from enjoying a private good, it is relatively easy to charge users a unit price for use of the good. Because consumption of the good is rival in nature, there is a relatively clear marginal cost of providing the good to one more user. Through the workings of a competitive market (or, at times, through targeted regulation) whenever there is a user who is willing to cover the costs of producing the good, the good will be delivered to that user.

The first distinguishing characteristic of a private good is that it is relatively easy to exclude outsiders from enjoying the benefits of the good. As a consequence, it is relatively easy to define and enforce clear property rights over a private good. As an apple grower, I clearly own the apple in my warehouse, and by putting a lock on the door, I can enforce my ownership rights at relatively little cost. Therefore, I know that when the time comes I will be able to sell what I've produced.

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<sup>5</sup> This point touches on an important distinction that should be made between short run welfare maximization and the maximization of societal benefits in the long run. Private firms produce many non-rival goods (e.g. computer software). While the short-run maximization of social welfare calls for the unit price of computer software to fall to zero (at least for some people), practical considerations generally prevent this from ever happening. In the long run, of course, this is a good thing; the possibility of earning significant profits ensures that talented people always have both the resources and the incentive to create new and better software, thereby expanding the capacities of the world and the nation.

The second distinguishing characteristic of a private good is that its consumption is rival in nature. Because consumption of the apple is rival, to me, its consumption has a fixed cost—the cost I incurred to produce it. If the people who buy my apples value them highly enough that they are willing to pay a price per apple that is greater than or equal to the costs to me of growing them, then I will continue to stay in business providing society with apples.

As a competitor in the market place, if I try to sell my apples to someone at a price higher than what it cost to produce them, I will be giving other growers the opportunity to underbid me and thus make a profit off of a customer I could have had. If the demand for apples is great enough that there are people out there willing to buy all of our apples at a price greater than it costs to grow them, other growers and I will push to grow and sell more apples until the excess demand has been met. In the long run, unless I can convince buyers that my apples are somehow generally better than everyone else's, or unless I am able to short-circuit the competitive processes of the market, the long-run average price I sell my apples for will be equal to my long-run average cost of growing them—with just enough profit left over to keep me in the apple business. At this point of "competitive equilibrium," the price of apples will be exactly equal, on average, to the cost of growing the last bushels of apples. In economic terms, the market price of apples will be equal to the marginal cost of producing them. I and all the other profit seeking apple growers will have tailored our operations so that whenever someone valued another apple enough that they were willing to cover the costs of an apple's production, we went ahead and produced that extra apple and sold it to them.

For apples, therefore, because they have the characteristics of a private good, a system that allows for private production and charging users the full cost of producing the good ensures the optimization of social welfare. If someone values an apple enough that they are willing to at least pay the cost of producing it, then I will produce that apple and both parties will be better off. A key attribute of this system (and one that society often attempts to replicate for purposes of efficiency even in non-competitive markets) is that the private good is efficiently produced and costs are equitably allocated when users of the good are charged a price that is equal to the marginal cost of producing that good.

### Where Does Freight Movement Fit In

In the 1960s, a highway in Bellevue, Washington would probably have been classified by economists as a public good. To exclude outsiders from using it would have proven both difficult and expensive, and since the highway was uncongested, one person's use of it did not have significant effects on other users of the highway. Each car would create a small cost due to the wear and tear on the road, but for the most part, its use was essentially non-rival.

In the late 1990s, a congested highway used by movers of freight in Seattle would probably *not* be considered a public good. Given recent advances in technology, there are now opportunities to count and charge a fee to almost every truck that uses a given highway. Therefore, even for the most difficult to monitor freight links, it is now possible to exclude outside users who are unwilling to pay an automatic electronic fee for using a particular facility. In addition, since we are talking about new investments to relieve congested facilities, there is clearly a cost associated with using the link; consequently, the link's consumption is rival in nature. Increasingly, freight mobility investments in roads and highways exhibit both key attributes of a private good.

Clearly, a congested highway used by freight movers is not the same as an apple or a jet; and we do not suggest that all links should be produced and owned by private entities charging fees for use. Given the current state of technology, however, and given the regulated nature of freight movement, there do appear to be opportunities for developing fees for use consistent with the marginal cost of moving freight on public links. If these opportunities could be properly taken advantage of, from a perspective of Washington State as a whole, they represent opportunities for gains in both economic efficiency and equitable allocation of costs. Several European countries, including Germany, are now moving in this direction.

## CONCLUSION

In this paper, we have described the approach to determining the appropriate state freight mobility share for a set of investments selected by the Freight Mobility Strategic Investment Board in December 1998. We also identified areas for further research. As part of our assessment of various allocation strategies, we identified potential areas for further research as the Board gains experience with the strategic investment process. Included in these potential areas for further research are: 1) addressing gaps in the information available for project evaluation, 2) refining the processes for setting priorities and determining the state freight mobility share, and 3) exploring the potential for alternative funding strategies.



