

# 2021-2023 Freight Rail Assistance Program/ Freight Rail Investment Bank Project Lists

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## Introduction - Prioritized Project Lists

The Washington State Legislature authorized the Washington State Department of Transportation (WSDOT), under ESHB 2322, Section 309 (6), to issue a “Call for Projects” for the Freight Rail Assistance Program (grant program) and ESHB 2322, Section 309 (2) to provide “low-interest loans” through the Freight Rail Investment Bank (loan program). The grant program is available to those in the public and private sectors. The loan program is available for publicly owned railroads, port districts, rail districts and local governments.

For the 2021-2023 biennium, a total of \$7.04 million is available for FRAP grants and \$5.08 million for FRIB loans. WSDOT issued a “Call for Projects” on July 1, 2020, based on legislative priorities defined in RCW 47.76.240. Proposal submittals were due to WSDOT by September 11, 2020. WSDOT received three (3) applications for the FRIB loans requesting \$1.6 million in funding and ten (10) FRAP grant applications requesting approximately \$8.1 million in funding. Two (2) of the ten (10) FRAP applications were from the public sector. The applications to WSDOT fall into three broad categories:

- Critical infrastructure including bridges/tunnels
- Improvement and maintenance of existing infrastructure
- Business development

Since the FRAP proposals exceeded available funding, it was necessary to identify those projects most beneficial to Washington state and those showing the greatest potential to be successful. Projects that directly increased existing rail transportation were prioritized.

WSDOT is required to submit a prioritized list of recommended projects to the Office of Financial Management and the transportation committees of the Legislature by November 15, 2020. The recommended projects were scored and ranked by a review team composed of representatives from the WSDOT Multimodal Planning Division, WSDOT Engineering Services Division, the Washington Public Ports Association and WSDOT Rail, Freight, and Ports Division.

The review panel evaluated each proposal based on the following elements:

- The benefit/cost analysis outlined in the “Freight Rail Project Priorities” report submitted to the Legislature on September 1, 2008
- Best past practices as specified in section 309, chapter 367, Laws of 2011
- Verified scores based on the self-evaluation matrix required as part of each submission, as outlined in the application criteria

WSDOT’s Rail, Freight and Ports Division verified the benefit/cost analysis supplied by the applicants and then tabulated the total scores for each of the application packages. Other members of the review team used their experience and professional judgment to assist in ranking each project.

In a few cases, multiple projects were combined in a single application. Several proposals supplemented previously funded projects with the current proposal complementing or building on the previous project(s).

The priority ranking of the projects led the review team to recommend funding eight (8) of the FRAP proposals. These determinations were based on the amount of funding available, as well as the ranking of the proposals. The review team recommends funding all three (3) of the FRIB proposals.

The WSDOT cost to administer the various proposals were developed and are shown on the Program Master Lists. The projects recommended would be fully funded with the addition of administrative costs figured into the total project cost.

## FRAP Grant Program Master List

Applicant	Rank	Total Project Cost	Applicant Match	WSDOT Grant	WSDOT Admin.
Highline Grain Growers, Inc.	1	\$1,570,943	\$908,448	\$631,495	\$31,000
Central Washington Railroad Company	2	\$1,058,913	\$468,913	\$570,000	\$20,000
Columbia Basin Railroad Company	3	\$1,050,687	\$480,687	\$550,000	\$20,000
Rainier Rail	4	\$994,000	\$487,500	\$487,500	\$19,000
Columbia Cowlitz Railway, LLC	5	\$2,131,225	\$941,051	\$1,150,174	\$40,000
Puget Sound & Pacific Railroad (PSAP)	6	\$2,448,000	\$600,000	\$1,800,000	\$48,000
Columbia Rail/ Port of Royal Slope	7	\$947,500	\$278,500	\$649,500	\$19,500
Spokane, Spangle & Palouse Railway (SS&P)	8	\$1,479,000	\$700,000	\$750,000	\$29,000
<b>TOTAL</b>		<b>\$11,680,268</b>	<b>\$4,865,099</b>	<b>\$6,588,669</b>	<b>\$226,500</b>
Port of Benton	N/A	\$1,550,000	\$270,000	\$1,250,000	N/A
Kennewick Terminal Railway	N/A	\$372,000	\$109,500	\$255,500	N/A

## FRIB Loan Program Master List

Applicant	Rank	Total Project Cost	Applicant Match	WSDOT Grant	WSDOT Admin.
Tacoma Rail/Lincoln Tunnel	1	\$687,500	\$369,500	\$310,000	\$8,000
Tacoma Rail/ Locomotive	2	\$2,854,000	\$1,986,000	\$840,000	\$28,000
Tacoma Rail/ Yard Tracks	3	\$1,228,000	\$763,000	\$450,000	\$15,000
<b>TOTAL</b>		<b>\$4,769,500</b>	<b>\$3,118,500</b>	<b>\$1,600,000</b>	<b>\$51,000</b>

## Freight Rail Assistance Program

### Highline Grain Growers, Inc. – Restoration of Davenport Station

**Ranking: 1**

**Recommended for funding**

#### Project Description

Restore receiving and load out system, rail realignment and purchase track mobile in Davenport, WA

#### Funding

<b>Funding Source</b>	<b>Public or Private</b>	<b>Cash or In-Kind</b>	<b>Amount</b>	<b>%</b>
Highline Grain	Private	Cash	\$908,448	58%
WSDOT Administrative	Public	Cash	\$31,000	2%
WSDOT Grant	Public	Cash	\$631,495	40%
<b>Total</b>			<b>\$1,570,943</b>	<b>100%</b>
<b>Recommended for Funding</b>			<b>\$662,495</b>	<b>42%</b>

#### Summary of Analysis and Recommendation

- This project is to install a new load out conveyor assembly capable of handling 20,000 bushels of wheat per hour and safely loading 24 rail cars in a daily shift.
- Doubles the capacity at Davenport by reconfiguring the track layout and purchasing a track mobile to move railcars. Match funds are for the loading/receiving system.
- Project benefits include moving bushels of wheat closer to the Highline Grain terminal and using a track mobile, a specially designed vehicle smaller than a locomotive, to move the cars and cause less damage to the track infrastructure.

## Freight Rail Assistance Program

### Central Washington Railroad Company – 2<sup>nd</sup> Subdivision Track Rehabilitation

**Ranking: 2**

**Recommended for funding**

#### Project Description

Install approximately 10,000 tons of ballast over Gibbon to Granger branch line and replace joint bars

#### Funding

<b>Funding Source</b>	<b>Public or Private</b>	<b>Cash or In-Kind</b>	<b>Amount</b>	<b>%</b>
Central WA Railroad	Private	Cash	\$384,761	36%
Central WA Railroad	Private	In-Kind	\$84,152	8%
WSDOT Administrative	Public	Cash	\$20,000	2%
WSDOT Grant	Public	Cash	\$570,000	54%
<b>Total</b>			<b>\$1,058,913</b>	<b>100%</b>
<b>Recommended for Funding</b>			<b>\$590,000</b>	<b>56%</b>

#### Summary of Analysis and Recommendation

- This project installs over 10,00 tons of ballast over the Gibbon to Granger branch line at approximately 422 tons per mile. It also replaces over 1200 damaged joint bars.
- This work will maintain and stabilize the track to continue to safely operate at current Class 2 and Class 1 operating classifications.

## Freight Rail Assistance Program

### Columbia Basin Railroad Company – 1<sup>st</sup> Subdivision Rehab Project

**Ranking: 3**

**Recommended for funding**

#### Project Description

Install approximately 4500 tons of ballast and surface rail line in the Wheeler to Moses Lake Corridor and replace 10 switches

#### Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Columbia Basin Railroad	Private	Cash	\$365,490	35%
Columbia Basin Railroad	Private	In-Kind	\$115,197	11%
WSDOT Administrative	Public	Cash	\$20,000	2%
WSDOT Grant	Public	Cash	\$550,000	52%
<b>Total</b>			<b>\$1,050,687</b>	<b>100%</b>
<b>Recommended for Funding</b>			<b>\$570,000</b>	<b>54%</b>

#### Summary of Analysis and Recommendation

- This project installs or spreads 4,858 tons of ballast and surface the rail line in the Wheeler to Moses Lake Corridor and replaces 10 lighter weight or worn switches with new 112/115 pound switches at various locations along the 1st subdivision.
- Fertilizer represents 36% of the volume in the Wheeler corridor. Growth in the next 5 years is projected at 10%. Without improvements, maintenance costs will go up, service will be reduced, and crew costs will increase.
- Ballast, along with ties and heavier gauge rail, permit higher speeds and heavier railcars and more efficient rail operations.
- This project serves to maintain its infrastructure.

## Freight Rail Assistance Program

### Rainier Rail – 10,000 ties for Class 1 track between Western Junction & McKenna

**Ranking: 4**

**Recommended for funding**

#### Project Description

Replace ties, ballast, tamp and surface 10,000 ties on Rainier Rail's mainline, MP 42 to MP 28.2, between Western Junction and McKenna

#### Funding

<b>Funding Source</b>	<b>Public or Private</b>	<b>Cash or In-Kind</b>	<b>Amount</b>	<b>%</b>
Rainier Rail	Private	Cash	\$487,500	49%
WSDOT Administrative	Public	Cash	\$19,000	2%
WSDOT Grant	Public	Cash	\$487,500	49%
<b>Total</b>			<b>\$994,000</b>	<b>100%</b>
<b>Recommended for Funding</b>			<b>\$506,500</b>	<b>51%</b>

#### Summary of Analysis and Recommendation

- The project will install 10,000 new hardwood ties, add ballast where needed, and tamp/surface the project area.
- Currently in FRA “excepted” status, hazmat hauling trains are limited in size to 5 hazmat cars, meaning the railroad must run additional trains over this area.
- Infrastructure improvements reduce risks from accidents or derailments of hazmat containing railcars.

## Freight Rail Assistance Program

### Columbia & Cowlitz Railway, LLC – CLC Capacity

**Ranking: 5**

**Recommended for funding**

#### Project Description

Construction of a 4,500-foot siding and extending six-yard tracks to allow for longer trains

#### Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
C&C Railway	Private	Cash	\$819,952	38%
C&C Railway	Private	In-Kind	\$121,100	6%
WSDOT Administrative	Public	Cash	\$40,000	2%
WSDOT Grant	Public	Cash	\$1,150,174	54%
<b>Total</b>			<b>\$2,131,226</b>	<b>100%</b>
<b>Recommended for Funding</b>			<b>\$1,190,174</b>	<b>56%</b>

#### Summary of Analysis and Recommendation

- This project will construct a 4,500 foot rail siding, which will create storage capacity to serve as a staging area for rail traffic moving through Longview.
- The benefits include reduction in greenhouse gas from the ability to handle more railcars more efficiently and reduce or eliminate the need for rail cars to be placed in more residential parts of Longview. Also helps prevent the blocking of auto traffic on public roads.



## Freight Rail Assistance Program

### Puget Sound & Pacific Railroad (PSAP) – Aberdeen Bridge Rehabilitation

Ranking: 6

Recommended for funding

#### Project Description

Rehabilitation of bridge 68.64 and minor maintenance on bridge 72.21

#### Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
PSAP	Private	Cash	\$600,000	25%
WSDOT Administrative	Public	Cash	\$48,000	2%
WSDOT Grant	Public	Cash	\$1,800,000	74%
<b>Total</b>			<b>\$2,448,000</b>	<b>100%</b>
<b>Recommended for Funding</b>			<b>\$1,848,000</b>	<b>75%</b>

#### Summary of Analysis and Recommendation

- Project will rehabilitate a swing truss bridge built in 1910 and serves as a critical link to the Port of Grays Harbor. Project will also address minor maintenance issues on bridge 72.21.
- Because the bridge won't properly close, trains are restricted to 5 mph which impacts multiple grade crossings on either side of the bridge and affecting local traffic. It will reduce ongoing maintenance costs from \$50,000+ to \$5,000 per year.
- Preservation of this rail bridge is important to maintain the PSAP railroad, its customers, and the community.

## Freight Rail Assistance Program

# Columbia Rail/Port of Royal Slope – New Industrial Access Track Extension

**Ranking: 7**

**Recommended for funding**

### Project Description

Extends Port's Mountain Industrial Park spur by approximately 4,300 feet

### Funding

<b>Funding Source</b>	<b>Public or Private</b>	<b>Cash or In-Kind</b>	<b>Amount</b>	<b>%</b>
Port of Royal Slope	Public	Cash/In-kind	\$268,500	28%
Columbia Rail	Private	In-kind	\$10,000	1%
WSDOT Administrative	Public	Cash	\$19,500	2%
WSDOT Grant	Public	Cash	\$649,500	69%
<b>Total</b>			<b>\$947,500</b>	<b>100%</b>
<b>Recommended for Funding</b>			<b>\$669,000</b>	<b>71%</b>

### Summary of Analysis and Recommendation

- This project extends the mountain industrial park spur to reach 6 lots owned by the Port of Royal Slope for sale and/or lease new customers.
- The spur would bring rail to 6 lots including Envirotech, resulting in an increase of 150 cars per year and adding four fulltime employees. Envirotech is in negotiations to locate at the Port of Royal Slope.
- Project has the potential to provide additional employment in a rural distressed community.

## Freight Rail Assistance Program

### Spokane, Spangle & Palouse Railway (SS&P) - Oakesdale to Fallon Rehab

Ranking of project: 8

Recommended for funding

#### Project description

Install 9,600 ties from Oakesdale to Fallon

#### Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
SS&P	Private	Cash	\$700,000	47%
WSDOT Administrative	Public	Cash	\$29,000	2%
WSDOT	Public	Cash	\$750,000	51%
<b>Total</b>			<b>\$1,479,000</b>	<b>100%</b>
<b>Recommended for Funding</b>			<b>\$779,000</b>	<b>53%</b>

#### Summary of analysis and recommendations

- This project would install approximately 9,600 ties on the P&L rail line, operated and leased by SS&P, between Marshall and Fallon. The track is currently in active status.
- Customers served are Palouse Grain Growers, Palouse Trading, Pacific Northwest Farmers' Cooperative.
- With the track improvements SS&P will increase volumes of rail cars moved, provide scoot train service, car storage, and service a second grain shuttle elevator.

## Freight Rail Assistance Program Port of Benton - Rail Crossings

Ranking of project: 9

**Not Recommended**

### Project description

Upgrade 6 crossings in Richland, WA

### Funding

Proposed Funding Sources	Public or Private	Cash or In-Kind	Amount	%
Port of Benton	Public	Cash	\$220,000	14%
City of Richmond	Public	Cash	\$50,000	3%
WSDOT Administrative	Public	Cash	\$30,000	2%
WSDOT	Public	Cash	\$1,250,000	81%
<b>Total</b>			<b>\$1,550,000</b>	<b>100%</b>
<b>Not recommended for funding</b>			<b>\$0</b>	<b>0%</b>

### Summary of analysis and recommendations

- The proposed project includes replacing or installing crossing panels, repairing ties and rail, correcting and repairing track bonding, repairing asphalt approaches, and replacing Kingsgate's internal signal components.
- The proposed project includes the following crossings:
  - Cemetery/Swift Blvd (City of Richland road crossing)
  - Van Giesen Street (WSDOT road crossing)
  - Airport Way (City of Richland road crossing)
  - Saint Street (City of Richland road crossing)
  - SR 240 (WSDOT road crossing)
  - Kingsgate Way (City of Richland road crossing – City owned infrastructure)
- While the project would improve crossings to allow safer and more efficient crossings for trains and vehicles, it does not meet the program's goals for freight improvements.

## Freight Rail Assistance Program Kennewick Terminal Railway- Public Transload

Ranking of project: 10

**Not Recommended**

### Project description

Construction of transload spur facility in Finley, WA

### Funding

Proposed Funding Sources	Public or Private	Cash or In-Kind	Amount	%
Kennewick Terminal Railway	Private	Cash	\$109,500	25%
WSDOT Administrative	Public	Cash	\$70,000	16%
WSDOT	Public	Cash	\$255,500	59%
<b>Total</b>			<b>\$435,000</b>	<b>100%</b>
<b>Not recommended for funding</b>			<b>\$0</b>	<b>0%</b>

### Summary of analysis and recommendations

- This project proposes to build a transload spur to be constructed in Finley, WA.
- This project is not recommended as the proposal identified potential customers and commodities, but no agreements have been made. The proposer needs a more robust business plan on the possible volumes and whether this facility would attract new customers, increase volumes or competes with existing transloads.

## Freight Rail Investment Bank Tacoma Rail - Lincoln Track Upgrades

Ranking of project: 1

Recommended for funding

### Project description

Lincoln Tunnel improvements of upgrading 660 feet of rail and removing private crossings/turnouts

### Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Tacoma Rail	Public	Cash	\$369,500	54%
WSDOT Administrative	Public	Cash	\$8,000	1%
WSDOT	Public	Cash	\$310,000	45%
<b>Total</b>			\$687,500	100%
<b>Recommended for Funding</b>			<b>\$318,000</b>	<b>46%</b>

### Summary of analysis and recommendations

- This project will upgrade approximately 660 feet of old and worn track with new head-hardened 115 RE rail and select ties, removes, and replaces three private grade crossings and replaces two turnouts.
- Tacoma Rail handles most of the cars moving to and from the Port of Tacoma, a critical Washington port.
- The project will provide improved rail access to industries located in the Port of Tacoma area.

## Freight Rail Investment Bank

### Tacoma Rail - Locomotive Facility

Ranking of project: 2

Recommended for funding

#### Project description

Improvements to maintenance and fueling facility to accommodate increased business volumes

#### Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Tacoma Rail	Public	Cash	\$1,986,000	70%
WSDOT Administration 1%	Public	Cash	\$28,000	1%
WSDOT	Public	Cash	\$840,000	29%
<b>Total</b>			<b>\$2,854,000</b>	<b>100%</b>
<b>Recommended for Funding</b>			<b>\$868,000</b>	<b>30%</b>

#### Summary of analysis and recommendations

- WSDOT provided loans and grants in 2003 for the locomotive shop.
- The Locomotive Facility project improves short-line railroad infrastructure and addresses congestion challenges affecting rail service. It proposes to expand the current facility in order to accommodate the increase in demand for services and increase safety.
- Shop will maintain UP, BNSF and Tacoma Rail locomotives.
- Reduces the number of train movements by allowing more work to be done in Tacoma.

## Freight Rail Investment Bank Tacoma Rail - Yard Tracks Upgrade

Ranking of project: 3

Recommended for funding

### Project description

Upgrade approx. 2400 ft of rail and select ties and replace turnouts

### Funding

Funding Source	Public or Private	Cash or In-Kind	Amount	%
Tacoma Rail	Public	Cash	\$763,000	62%
WSDOT Administrative	Public	Cash	\$15,000	1%
WSDOT	Public	Cash	\$450,000	37%
<b>Total</b>			<b>\$1,228,000</b>	<b>100%</b>
<b>Recommended for Funding</b>			<b>\$465,000</b>	<b>38%</b>

### Summary of analysis and recommendations

- These yard tracks are all-purpose tracks that support all of Tacoma Rail's customers in the Port of Tacoma area. In 2019, Tacoma Rail handled 124,897 loaded railcars which includes intermodal trains, unit trains, import automobiles, rail cargo for transload and many other commodities. Replacing the rail, turnouts and associated components will enhance safety and help ensure there are no freight rail service interruptions due to deteriorated railroad track infrastructure, thereby increasing service reliability.
- Tracks 7, 16 and 17 will be upgraded with 2,410 track feet of new 115 RE head-hardened rail and select ties. Tracks 14 and 15 will be upgraded with select ties under existing rail. Tracks 16 and 17 will have three old and worn turnouts replaced.