

JTC Freight Investment Study

JTC Meeting

presented to

Joint Transportation Committee

presented by

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Transportation leadership you can trust.

Overview of the Study

Review of Study Tasks

1. Evaluate Existing & Potential Funding Incentives
2. Analyze Current Industry Taxes & Fees
3. National & International Comparison of Freight Funding
4. Assess Non-Freight Funding Sources
5. Measure Economic Impact of Funding
6. Assess Diversion of Marine Cargo
7. Measure ROI of Freight Infrastructure
8. Examine Other Potential Project Specific Fees
9. Recommend a Project Recommendation Body
10. Supplemental Work Tasks
11. Stakeholder/Legislator Groups

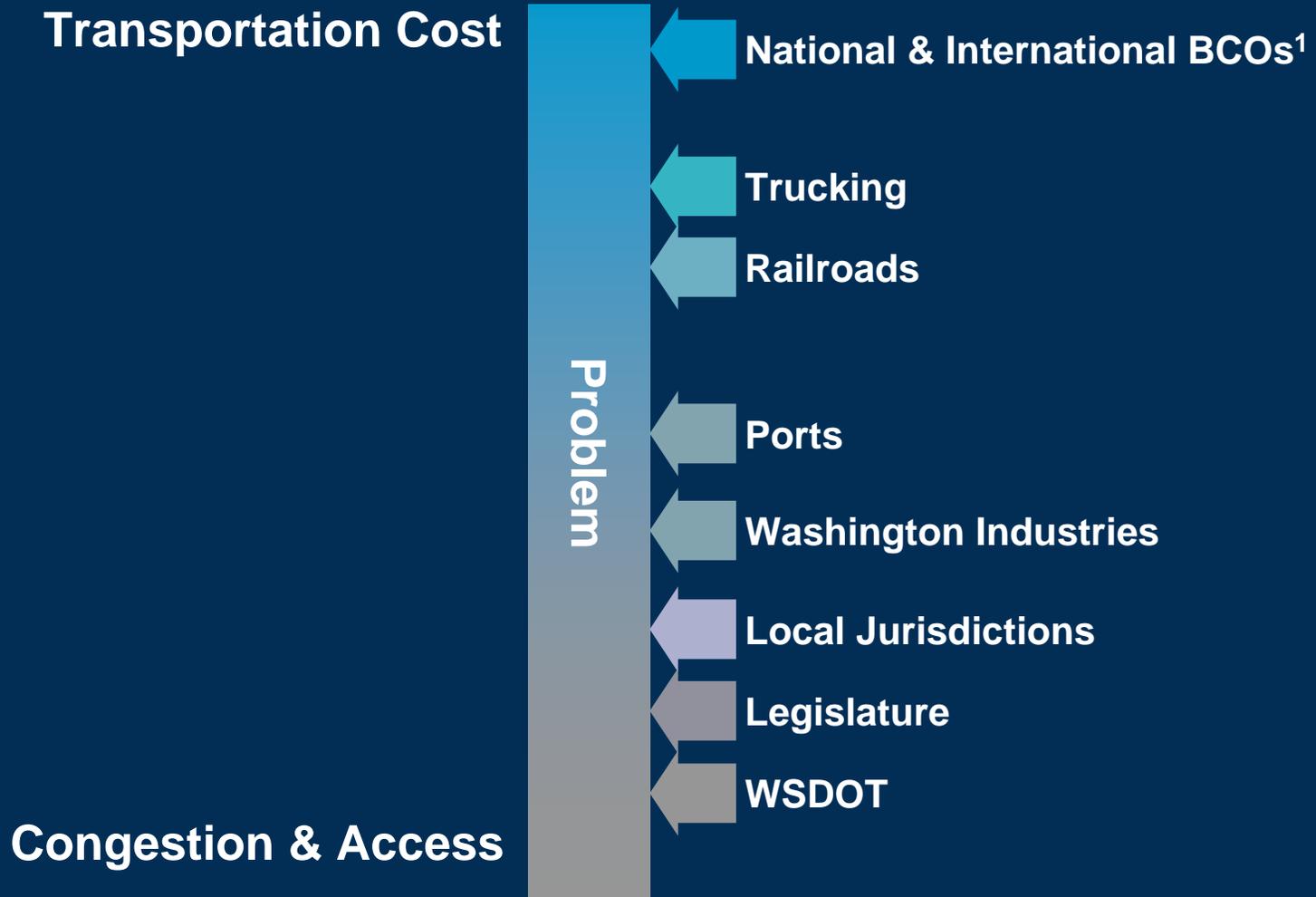
Different Perspectives Among Stakeholders

Solutions: Funding a Freight Account vs. Specific Projects



Different Perspectives Among Stakeholders

Problem: Congestion & Access vs. Economic Development



Different Perspectives Among Stakeholders

Problems vs. Solutions



Proposed Approach

Six Proposed Worksteps

1. Select Projects

- A few large rail & highway projects, vet with Stakeholders
- Priorities set by Legislature & WSDOT

2. Analyze Performance Impacts

- Analysis available from existing studies, or
- Sketch planning from PSRC model

3. Conduct B/C Analysis

- Estimate benefits for public and private stakeholders
- Adjust private benefits for business conditions

4. Prepare Funding Portfolios

- Structure according to nexus of benefits
- Scale user fees according to diversion analysis

5. Conduct ROI on New Funding Sources

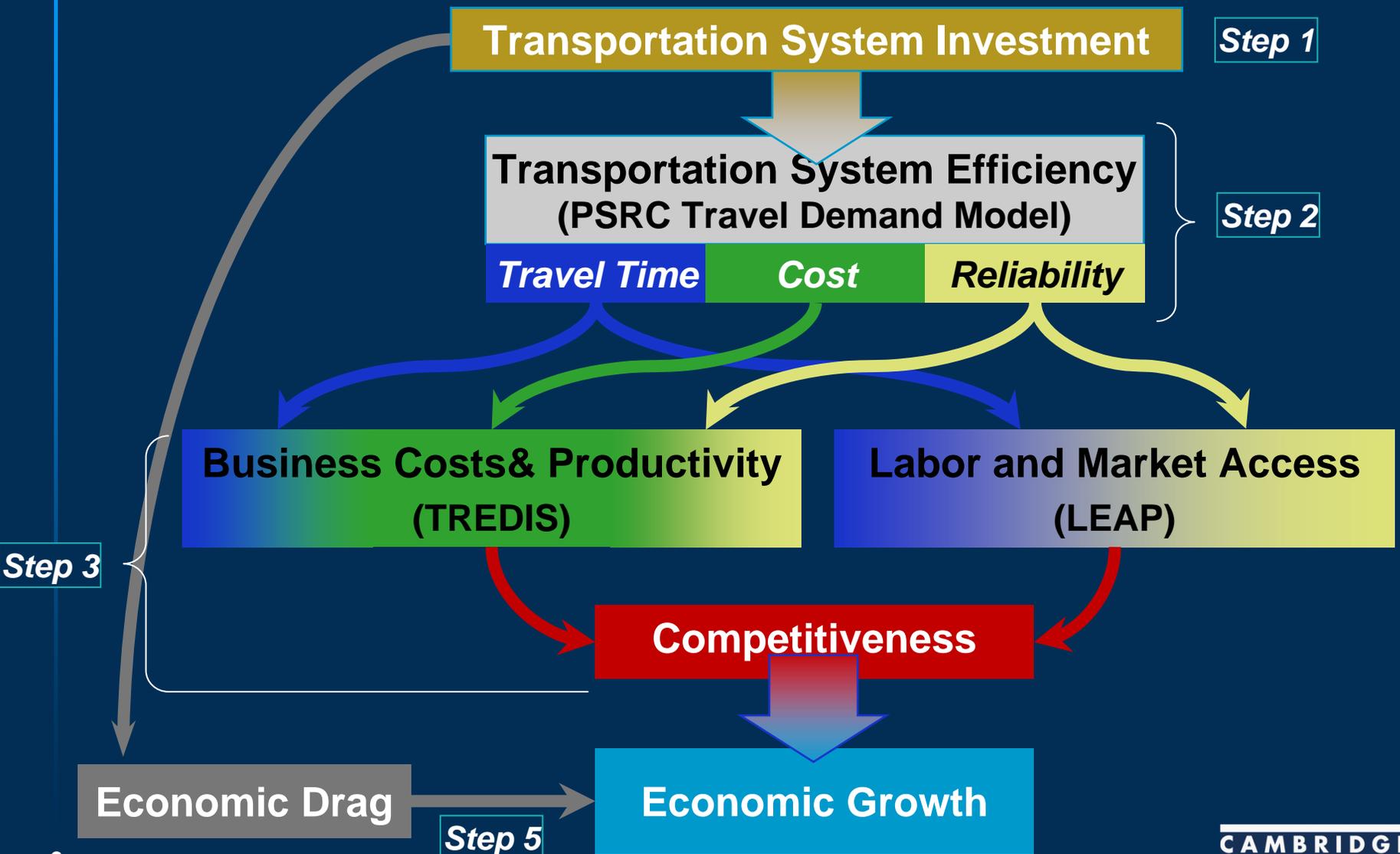
- Apply most effective and affordable economic models
- Estimate economic drag from new funding sources

6. Finalize Funding Process

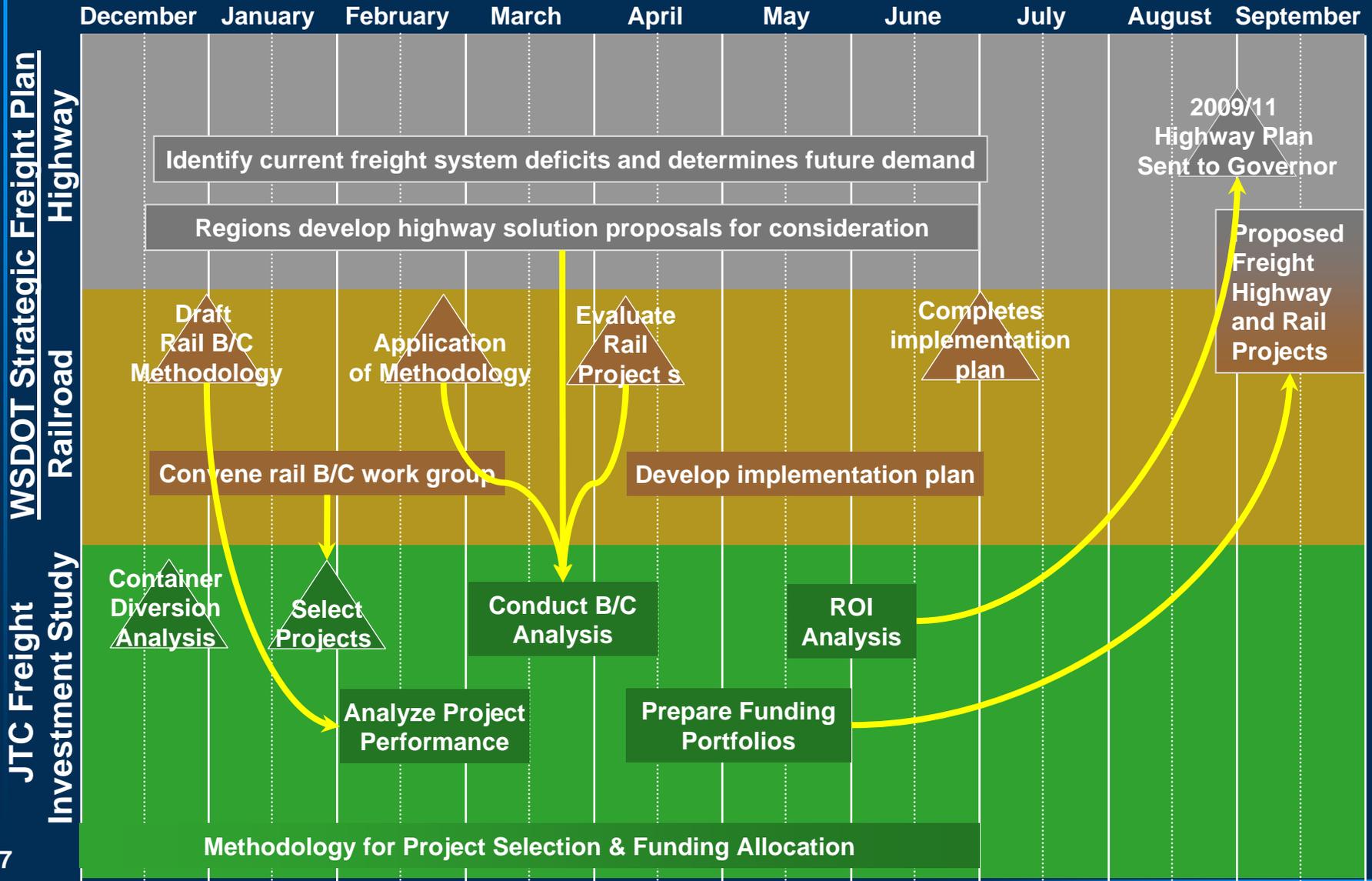
- Scale processes from WSDOT Strategic Plan & FMSIB
- Guidance from Policy Group on accommodation

Proposed Approach

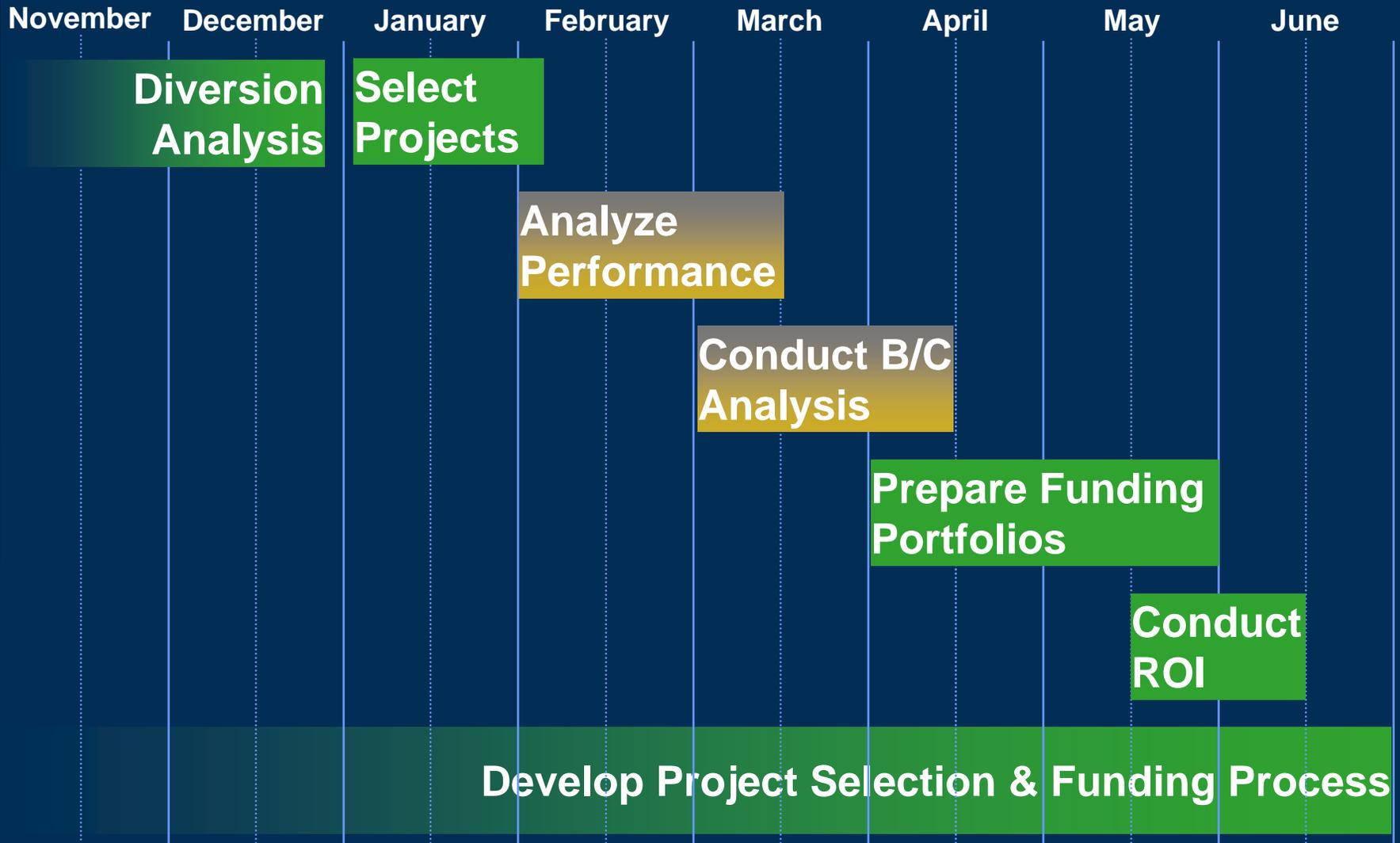
Worksteps Involving Coordination



Coordinating with WSDOT Strategic Plan Apply Analysis from Rail & Highway Evaluations

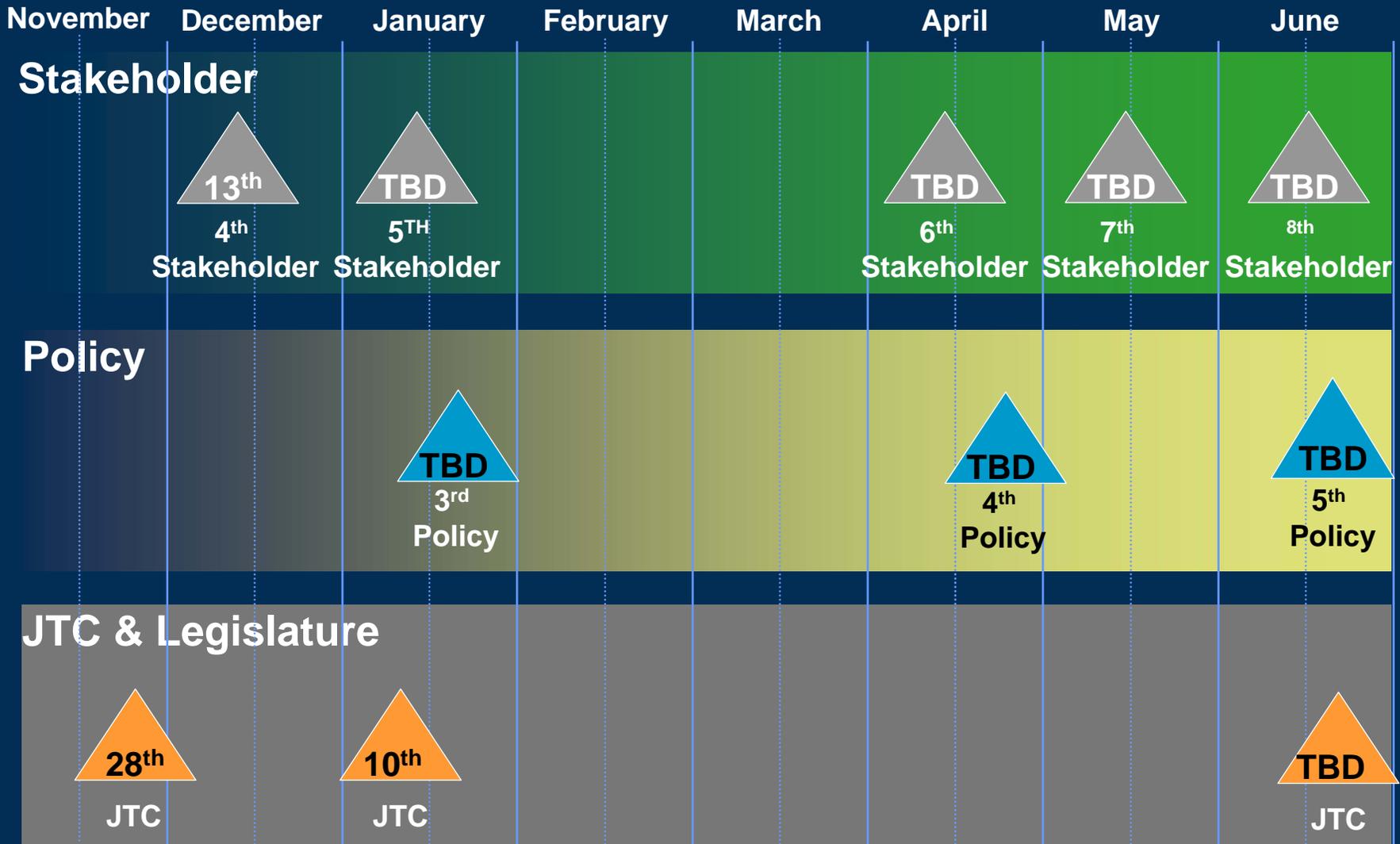


Revised Schedule Proposed Worksteps



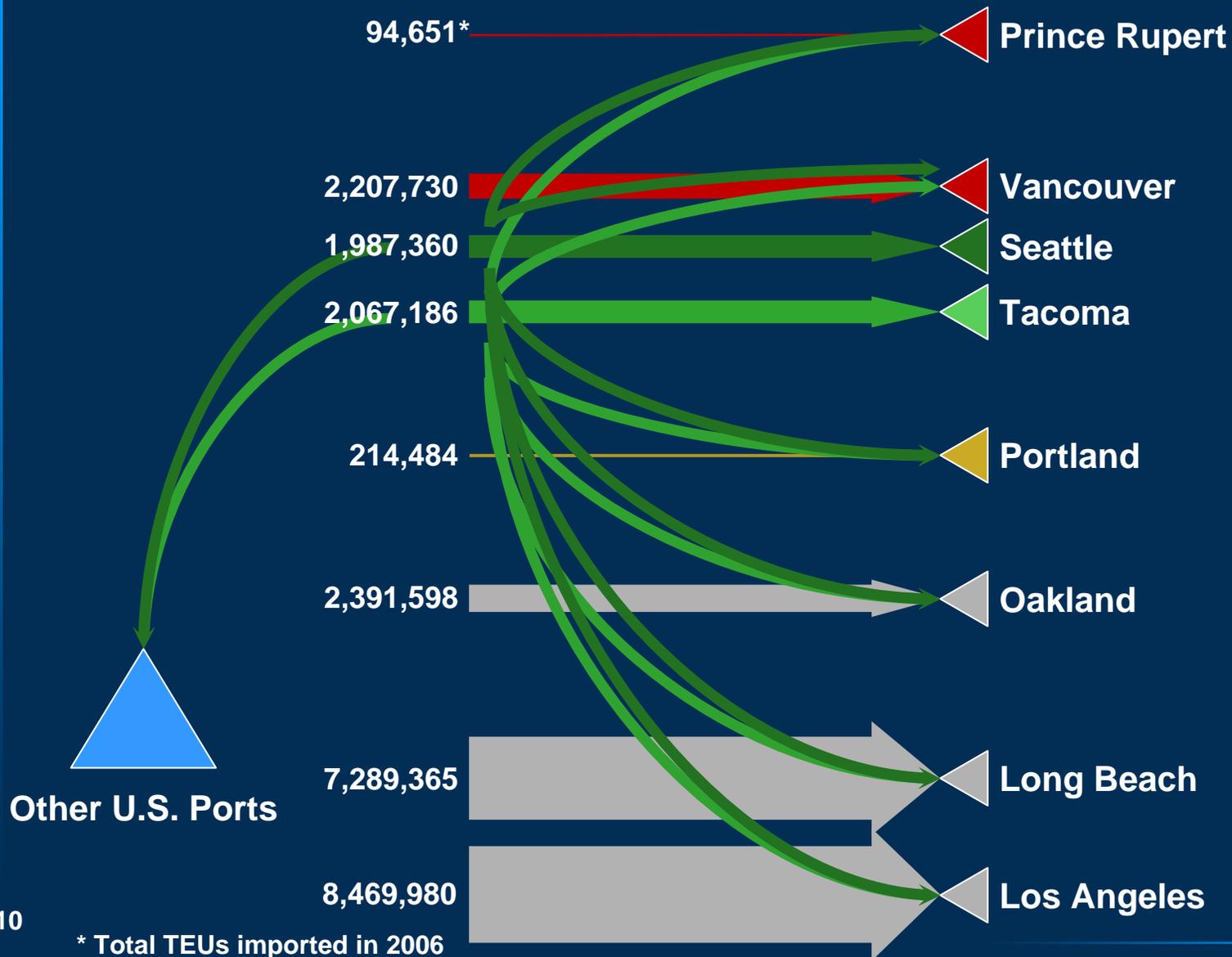
Revised Outreach Schedule

Schedule of Stakeholder & Policy Group Meetings



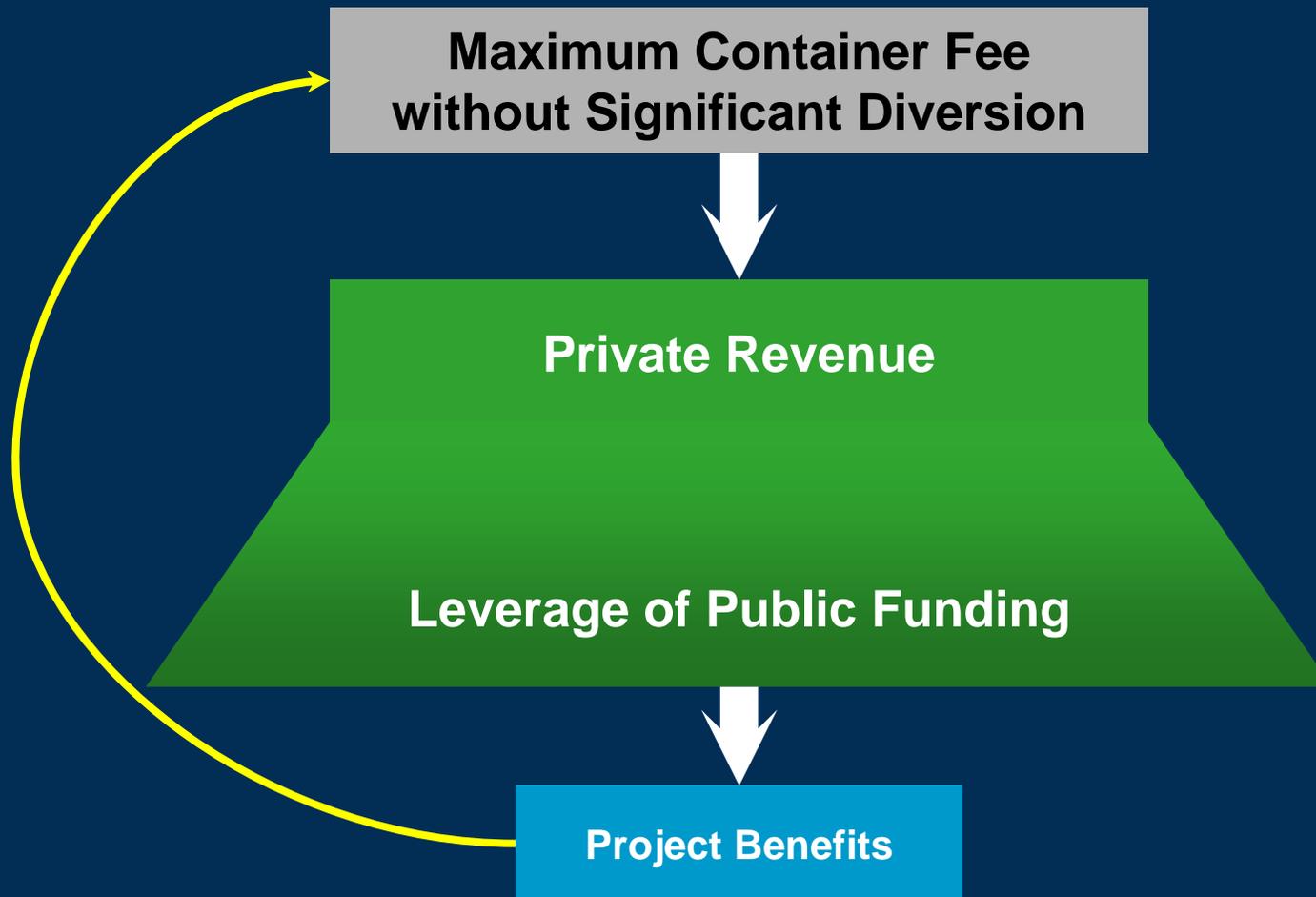
Diversion Analysis

Effects of Fees on Imported Containers



Diversion Analysis

Lead to an Estimation of Potential Revenues



Questions & Comments

Washington State Freight Strategic Plan Highway Strategic Planning Timeline

2007 Transportation Budget Section 309 7(d) states that: “The department (WSDOT) and the freight mobility strategic investment board (FMSIB) shall submit a report to the office of financial management and the transportation committees of the legislature by September 1, 2008, listing proposed freight highway and rail projects. The report must describe the analysis used for selecting such projects...”



JUNE 2008

WSDOT Freight Systems Division identifies current freight system deficits and determines future demand.

WSDOT Regions develop highway solution proposals for consideration.

AUGUST 2008

WSDOT executive team, working with OFM, sends 2009/11 Highway System Plan proposals to the Governor's Office.

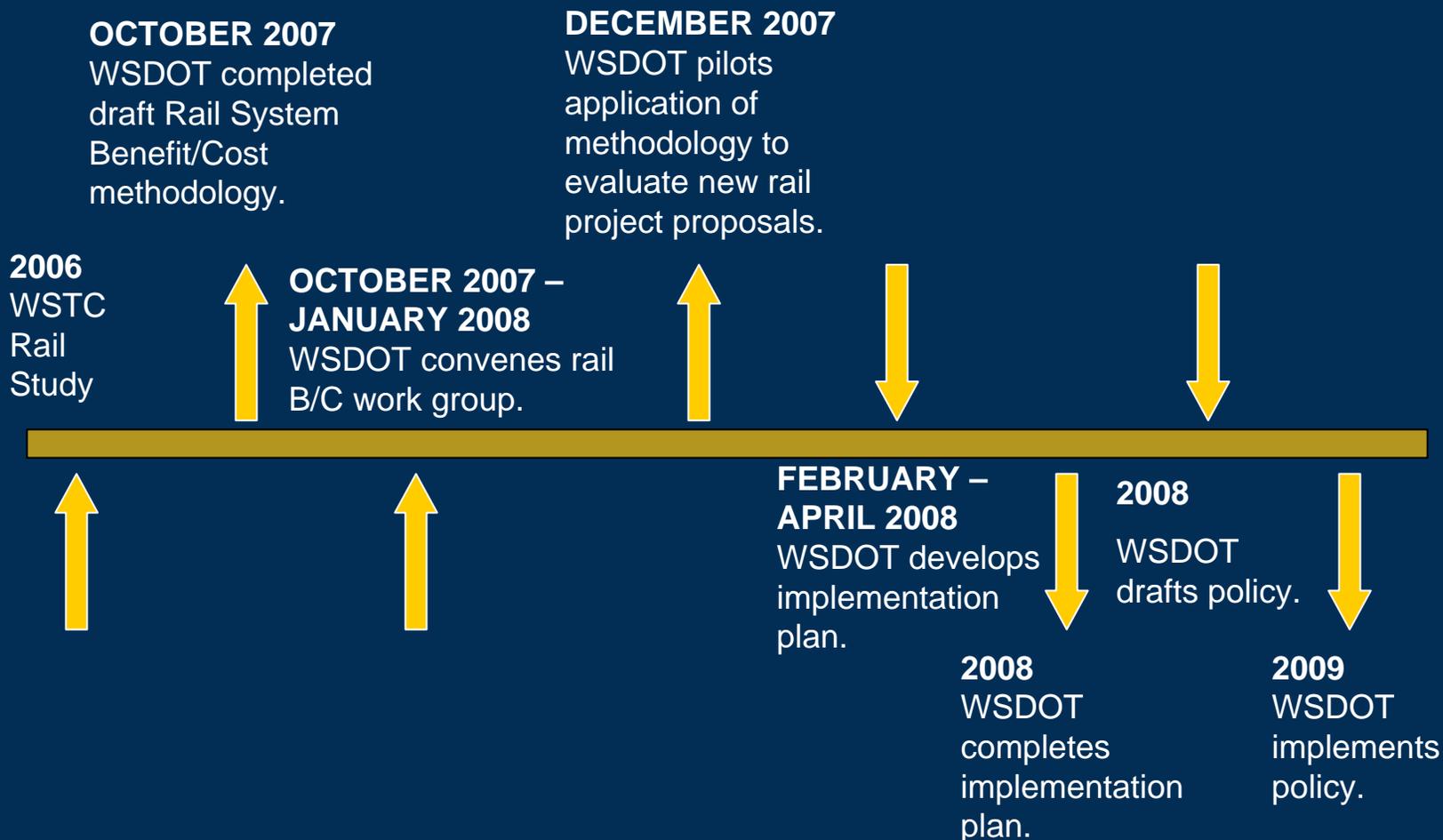
SEPTEMBER 2008

Joint WSDOT and FMSIB report describing analytic method and listing proposed freight highway and rail projects to OFM & Transportation Committees.

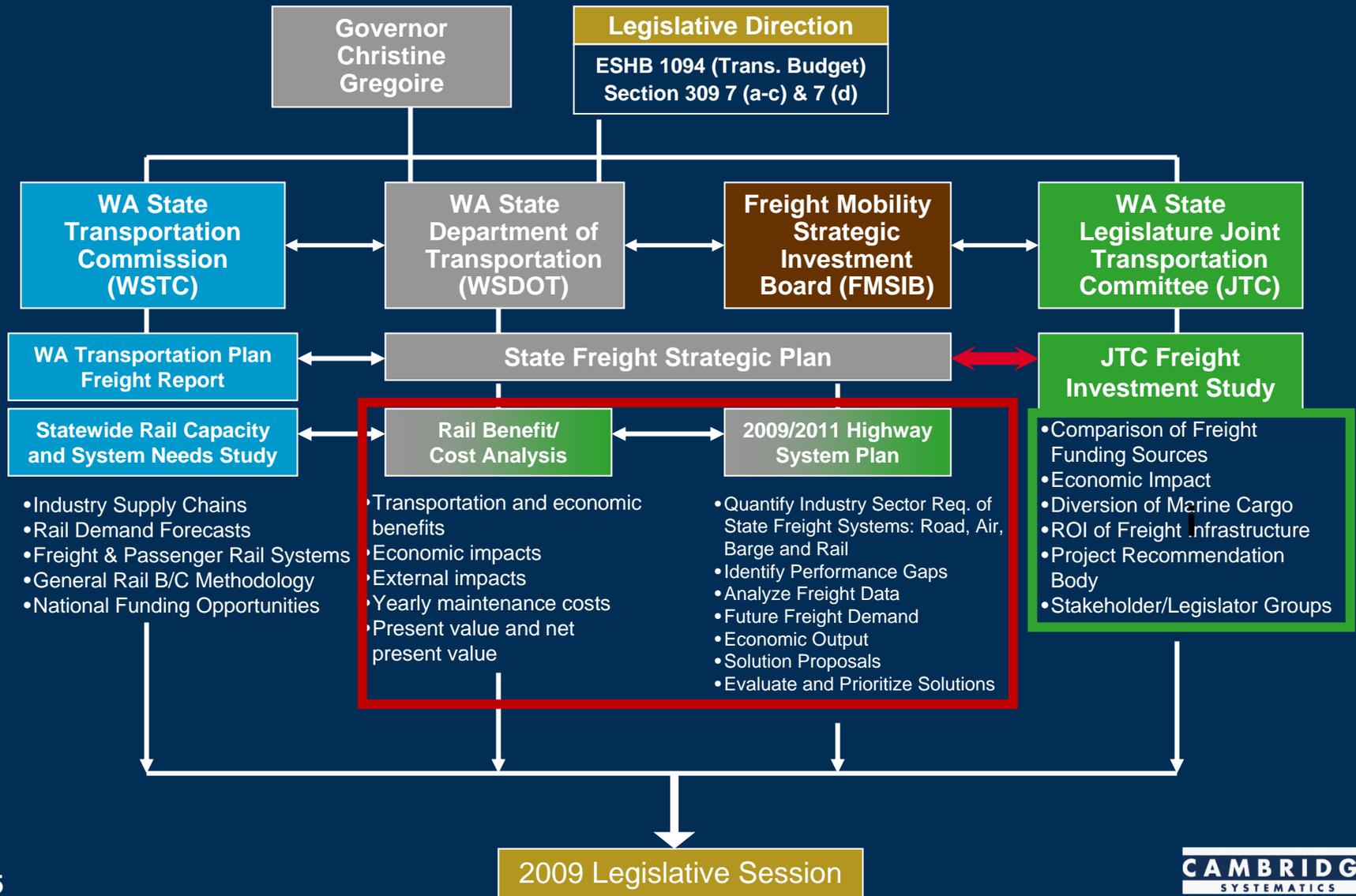
Washington State Freight Strategic Plan

Freight Rail Cost/Benefit Analysis Timeline

2007 Transportation Budget Section 7(a)-7(c) states that: “The department (WSDOT) shall develop a standardized format for submitting requests for state funding for rail projects that includes an explanation of the analysis undertaken, and conclusions derived from the analysis.”



Washington State Freight Strategic Plan Coordination with JTC Freight Investment Study



Coordination JTC and WSDOT Studies

Economic Impact & ROI of Freight Infrastructure

State Freight Strategic Plan

Rail Benefit/Cost Analysis

- ⑩ Transportation & economic benefits
- ⑩ Economic impacts
- ⑩ External impacts
- ⑩ Yearly maintenance costs
- ⑩ Present value and net present value

2009/11 Highway System Plan

- Quantify industry sector requirements of state freight systems
- Identify performance gaps
- Analyze freight data
- Future freight demand
- Economic output
- Solution proposals
- Evaluate and prioritize solutions

JTC Freight Investment Study

- Task 1 – 4: Comparison of freight funding sources
- Task 5: Economic impact
- Task 6: Diversion of marine cargo
- Task 7: B/C of freight infrastructure
- Task 8: Other private funding sources
- Task 9: Project recommendation body
- Task 10: Supplemental tasks
- Task 11: Stakeholder/legislator groups

Coordinated Option

Schedule of Stakeholder & Policy Group Meetings

