

## State Freight System Solutions for Consideration

Washington State shippers' and truck carriers' top priorities for investment in the state's freight system:

- Preserve the I-5 Corridor in Central Puget Sound and actively manage it to gain operational efficiencies.
- Complete the missing link between Highway 509 and I-5 to create a third major truck route into the Seattle metro region.
- Construct the link between Highway 167 and I-5/Port of Tacoma and continue to improve the I-405/Highway 167 Corridor.
- Maintain freight capacity on the Alaskan Way Viaduct corridor so trucks aren't shifted to I-5.

In order to connect both sides of the state and ship agricultural products to market year round, freight stakeholders' priorities are:

- Improve I-90 over Snoqualmie Pass to prevent severe weather closures.
- Develop and fund a statewide core all-weather county road system.

Develop a strategic plan for the state's investment in the rail system and negotiate with stakeholders to implement the plan.

At the regional level, the state may partner with stakeholders to:

- Provide intermodal connections,
- Support regional economic development, and
- Build grade separations.

## Key Freight System Contacts for Coastal Counties

American Forest Resource Council – (503) 222-9505	Public Ports: Port of Grays Harbor (Aberdeen)– (360) 533-9528 Port of Port Angeles – (360) 457-8527 Port of Port Townsend - (360) 385-0656 Washington Public Ports Association – (360) 943-0760
American Short Line and Regional Railroad Association – (202) 585-3442	Southwest Washington Regional Transportation Council - (360) 397-6067
Association of American Railroads – (202) 639-2100	State of Washington Freight Mobility Strategic Investment Board (FMSIB) – (360) 586-9695
Association of Washington Business – (360) 943-1600	Washington Council on International Trade - (206) 443-3826
Association of Washington Cities – (360) 753-4137	Washington Economic Development Association – (425) 967-0736
Chambers of Commerce: Grays Harbor Chamber of Commerce – (360) 532-1924 Port Angeles Chamber of Commerce – (360) 452-2363 Port Orchard Chamber of Commerce – (360) 876-3505	Washington Food Industry – (360) 753-5177
County Road Administration Board – (360) 753-5989	Washington Manufacturing Services – (425) 438-1146
Cowlitz-Wahkiakum Council of Governments and Southwest Washington Regional Transportation Planning Organization – (360) 577-3041	Washington Retail Association – (360) 943-9198
Economic Development Councils: Economic Development Council of Jefferson County – (360) 385-6767 Economic Development Council of Mason County – (360) 426-2276 Clallam County Economic Development Council – (360) 457-7793 Grays Harbor Economic Development Council – (360) 532-7888 Pacific County EDC – (360) 875-9330	Washington State Department of Agriculture - (360) 902-1800
Grays Harbor Council of Governments – (360) 537-4386	Washington State Department of Community, Trade and Economic Development – (360) 725-4011
Northwest Food Processors Association – (503) 327-2200	Washington State Department of Natural Resources – (360) 902-1004
Peninsula Regional Transportation Planning Organization – (360) 357-2675	Washington State Department of Transportation: Freight Systems Division – (360) 705-7932 Olympic Region – (360) 357-2659 Southwest Region – (360) 905-2001 Tribal Liaison – (360) 705-7025
	Washington Trucking Association – (253) 838-1650

### More Information:

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**Washington State  
Department of Transportation**



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# Freight and the Economy of Washington State's Coastal Counties

The three components of Washington State's Coastal Counties' freight system:

- I. **Global Gateways** – International and National Trade Flows Through Coastal Counties
- II. **Made in Coastal Counties** – Regional Economies Rely on the Freight System
- III. **Delivering Goods to You** – The Retail and Wholesale Distribution System in Coastal Counties

underpin national, state, and regional economies; support national defense; directly sustain hundreds of thousands of jobs; and distribute the necessities of life to every resident of the region everyday.

## I. 'Global Gateways' – International and National Trade Flows Through Coastal Counties

- Washington State is an important and growing gateway for trade access to the Pacific Rim, Canada and U.S.
- The Coastal Counties' global gateways freight system serves the national economy and national defense.
- It also provides competitive advantage for logistics and trade, manufacturing, agribusiness and timber/wood products sectors.

Coastal Counties' deepwater seaports play important roles in the export of wood products and other bulk commodities. Washington is second nationally in the forestry industry, and the nation's largest

## Washington's Coastal Counties Freight Atlas Serving Legislative Districts 19, 24 & 35



exporter of forest products. By volume, lumber and wood is the third largest commodity leaving Washington State by water; over 80 percent is destined for foreign markets. Rail service and access are important to these port areas, as is access to the interstate system.

**Challenges Facing Coastal Counties’ ‘Global Gateways’ Freight System**

- The mainline rail companies, BNSF Railway Company and UP Railroad, are reaching their capacity limits in Washington State and across the U.S.
- Smaller shippers are having trouble adapting to BNSF and UP Railroads’ new business model, which requires that railroad cars are aggregated into 100 to 150 unit trains.
- There are deficiencies on the core freight system grid in Central Puget Sound.

**II. ‘Made in Coastal Counties’ – Regional Economies Rely on the Freight System**

Coastal Counties’ own manufacturers, wood products and agribusiness sectors rely on the freight system to ship regionally-made products to local customers, to the big U.S. markets in California and on the east coast, and worldwide. Over 28,700 jobs in Coastal Counties relied on the freight system in 2005.

The region is a national center for forestry and resource-based industries. Pacific County is 90 percent forestland and over 88 percent of Grays Harbor County’s land is in renewable forests. Timber harvests there have stabilized at 500 to 600 million board feet. Forestry supports manufacturing employment in the region, over 51 percent of the region’s total manufacturing employment was in the forest products sector in 2005.

The forest industry in Washington is the second largest in the nation, with 10 percent of all U.S. forestry employment. Washington’s timber harvest in 2002 was over 3,500 million board feet; over 75 percent from Western Washington. Washington is also the largest softwood lumber producer in the United States. The majority of lumber and timber wood products are destined for export overseas (mostly Asia).

Weyerhaeuser, managing 1.14 million acres of forest in Washington in 2003, operates extensive value-added facilities in the region. Weyerhaeuser representatives state that Grays Harbor is a hub for multimodal freight flow. The UP Railroad and the BNSF Railway Company serve the Grays Harbor area, with a shortline operator providing service to the mainlines. The company’s truck traffic must get to the I-5 corridor, and they expect barge traffic carrying both raw materials and finished goods to British Columbia and California to continue to grow.

Resource-based industries such as forestry and agriculture rely heavily on local roads to move product to highways and on to market. Eighty percent of the five million tons of logs harvested annually in Grays Harbor move over local roads. A total of \$2.95 billion products were shipped in 170,000 truckloads on Highways 12, 8 and 101 from the coast to the I-5 corridor in 2003. Thirty-six percent of that - \$1.06 billion – were logs, wood and paper products.

The vast majority of Coastal Counties’ manufacturers and timber/ wood products companies surveyed by WSDOT in 2007 say that the state’s freight system and infrastructure is highly important to the success and growth of their company (72 percent and 88 percent, respectively). Their most important requirement is on-time delivery within a specific time window or cost per move. Overall

28,722 Jobs Rely on Freight in Coastal Counties		
	Jobs	Average Wage
Agriculture and Fishing	1,718	\$25,047
Forestry and Mining	1,458	\$39,386
Manufacturing	8,587	\$39,754
Construction	4,314	\$32,863
Wholesale and Retail Trade	11,303	\$24,049
Transportation and Warehousing	1,342	\$32,285

\* Office of Financial Management (OFM), 2006. Clallam, Grays Harbor, Jefferson, Mason, Pacific, and Wahkiakum County.

**Barge Carrying Logs to Distant Consumer Markets**



satisfaction with the current freight system performance is relatively low compared to other regions of the state. Only 61 percent of manufacturers and 54 percent of wood products companies in Coastal Counties are satisfied with the current level service.

Coastal Counties are also important for specialty agricultural crops including nursery stock, Christmas trees, cranberries and aquaculture. Food processing is also a significant manufacturing activity in the region. All of these products must reach the Interstate 5 corridor for consumer markets. Over 43 percent of truck trips originating in Coastal Counties were destined for Central Puget Sound in 2002, averaging more than 860 trips per day. In 2003, \$3.73 billion total products were shipped in 200,000 truckloads from the I-5 corridor to Aberdeen and Hoquiam via Highways 12, 8 and 101.

**Challenges Facing the ‘Made in Coastal Counties’ Freight System**

- Companies have no practical alternative to Washington’s most heavily used north-south freight routes and Interstate 90.
- There are deficiencies on the core freight system grid in Central Puget Sound.
- Smaller shippers are having trouble adapting to BNSF and UP Railroads’ new business model, which requires that railroad cars are aggregated into 100 to 150 unit trains.
- A local truck route program is needed to connect industry to the interstate and the state highway system.

**III. ‘Delivering Goods to You’ – The Retail and Wholesale Distribution System in Coastal Counties**

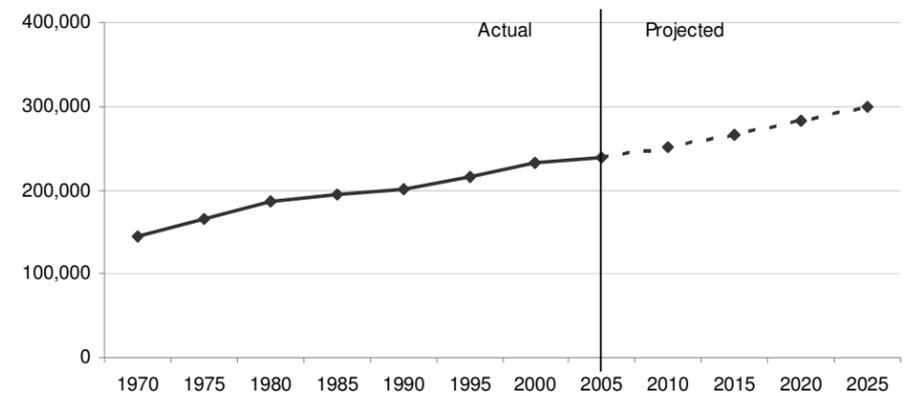
The greatest volume of trucks on roads and highways serve the daily needs of consumers through the wholesale and retail distribution system. Up to 80 percent of all truck trips in urban areas serve the retail, wholesale and business services sectors. An enormous variety of goods are handled on this system; food and groceries, fuel, pharmaceuticals and medical supplies, retail stock, office supplies and documents, trash and garbage, construction materials and equipment.

Every resident in Coastal Counties depends on the freight distribution system for daily necessities, from fuel at the gas station to garbage and refuse pick-up. Grocery stores, restaurants, gas stations and retail stores receive thousands of deliveries – all by truck – to provide goods for consumers everyday. A typical large grocery store receives two big semi-tractor-trailer deliveries and ten to twenty other specialized deliveries per day. These establishments also generate revenue and provide jobs in the region. In 2005 retail and wholesale firms employed over 11,000 in Coastal Counties.

Coastal Counties’ modern service economy depends on speed of delivery through the freight system. Distribution companies must provide fast and ubiquitous service that is reliable under all conditions. Most are coming from the state’s major distribution hubs in the Green River Valley and further south along the I-5 corridor. They rely on the core freight system grid to reach population centers.

Population and employment growth in Coastal Counties will increase the need for distribution services. The region’s 2006 population of almost 245,000 will grow to an estimated 299,000 by 2025. In order to achieve population and employment growth, the freight system must be able to provide delivery of consumer goods to residents everyday.

**Population Growth in Washington State’s Coastal Counties**



\* Office of Financial Management (OFM), 2006. Clallam, Grays Harbor, Jefferson, Mason, Pacific, and Wahkiakum County.

**Challenges Facing Coastal Counties’ ‘Delivering Goods to You’ Freight System**

- High-value, time-critical deliveries must move quickly through the freight distribution system.
- In order to support population and economic growth, especially in growing communities, companies must be able to provide goods and services to population centers from the state’s major distribution and warehousing hubs along Interstate 5.