April 28, 2015

Our Need

We are writing to reaffirm our support for the SR 432 Grade Crossing Project in Longview and to provide you with clear and accurate project information to understand our long-term objectives.

The recently completed SR 432 Corridor Study identified more than $356 million in projects along the corridor to relieve congestion and improve freight mobility. Sympathetic to the current constraints of transportation funding and the similar needs for projects around the state, the local project partners have committed to focusing on the completion of the most significant project along the corridor that will have the greatest impact on safety and freight mobility - the 432 Grade Crossing Project. The construction costs for this stand alone, high-impact project is $85 million and will be supplemented by $7 million committed by our local governments.

The SR 432 Grade Crossing Project reduces congestion to improve the economic competitiveness of existing large and small businesses, through reliable and timely freight service, in turn keeping our business base financially healthy and vibrant. Washington State relies on this corridor to move Washington’s goods to markets around the world and protect jobs in communities across the state. The SR 432 Grade Crossing Project enhances our regional and national economic competitiveness.

History and Key Points

Recently, the SR 432 Grade Crossing Project has been the subject of an intentionally misleading campaign by local and regional interest groups opposed to the proposed-Millennium Coal Export Terminal. They are using this long-planned corridor project as a vehicle to move their agenda forward at the expense of Washington’s economy and the families across our state that rely on this freight carrying corridor to support jobs. We assure you that these projects are unrelated and that this highway project started long before Millennium’s interest in Longview.

The SR432 Grade Crossing Project will address existing highway infrastructure deficiencies, recognized as early as 1968, that present barriers to freight mobility and our efforts to enhance regional economic development and job creation in a bi-state trade corridor of regional significance to our state, region and nation.

The deficiencies in the SR 432 corridor, in general, and at the SR 432/SR 433 intersection, in particular, are degrading traffic operations causing significant congestion, delays and safety issues on this regionally significant state highway. Short-term improvements implemented by Washington
State Department of Transportation in the past fifteen years were quickly overwhelmed by the increase in freight tonnage moving through this corridor - freight moving to and from legislative districts across our state that rely on this corridor to move their goods to market and sustain jobs in their communities. Preserving Washington’s economy relies on implementing a long-term solution to decades old deficiencies.

This project provides congestion relief, increases freight mobility and improves safety. **These needs were recognized as far back as 1968** when the Washington Department of Highways (predecessor to the Washington State Department of Transportation) completed its 1968 Reconnaissance Report proposing an interchange with SR 433 at its intersection with SR 432, and later in 1971 prepared a preliminary design of the Oregon Way Interchange at SR 432 (depicted in the attachment to this letter). Several studies followed in the 1980’s thru 2014 – one consistent finding: a grade separation is needed at the SR 432/SR 433 intersection to meet forecast long term freight traffic growth. Recent studies and related key findings include:

**2001: SR 432 ROUTE DEVELOPMENT PLAN**
- WSDOT identified the SR 432/SR 433 intersection as a **High Accident Location**.
- Left turn movements and southbound traffic demand in 2017 will exceed the capacity of the intersection causing long queues and delays; most vehicles need to wait through more than one green cycle to clear the intersection.
- **Short-term improvements** - Lengthen westbound and eastbound left-turn pockets at this intersection to accommodate higher volume of traffic; Add left-turn lane channelization on SR 432 between Industrial Way and SR 433; traffic signal progression enhancements.
- **Long-term improvement** - A grade separation at the SR 432/SR 433 intersection.

**2009: SR 432 REALIGNMENT FEASIBILITY STUDY**
- Truck traffic volumes will grow by 60% from base year (2007) to planning year (2030).
- Traffic operations will degrade by 2030 - traffic demand almost fills the capacity of the SR 432/SR 433 intersection; traffic queues of 500 feet forming at each approach.
- **Short-term improvements** - Add a 2nd left turn lane and signal modifications.
- **Long-term improvements** - A grade separation at the SR 432/SR 433 intersection to maintain an acceptable level of service before 2030, with or without unit trains.

**2014: SR 432 RAIL REALIGNMENT AND HIGHWAY IMPROVEMENT STUDY**
- The SR 432/SR 433 intersection has the highest number of reported accident crashes compared to all other study intersections in the SR 432 corridor.
- This intersection is a crucial link for emergency response services to Longview/Kelso local communities and to adjacent Oregon communities.
- A large percentage of existing vehicles are heavy trucks.
- The intersection will experience rapid truck growth prior to the 2035-year planning horizon.
- Traffic operations will degrade by year 2035 due to

<table>
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<th>Location</th>
<th>Total Vehicles</th>
<th>Total Trucks</th>
<th>Total Trucks</th>
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<tr>
<td>SR 433 - North of SR 432</td>
<td>38,520</td>
<td>5,880</td>
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<tr>
<td>SR 433 - South of SR 432</td>
<td>54,670</td>
<td>11,730</td>
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<td>SR 432 - West of SR 433</td>
<td>29,700</td>
<td>6,820</td>
<td>23%</td>
</tr>
<tr>
<td>SR 432 – East of SR 433</td>
<td>50,050</td>
<td>14,410</td>
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</table>
growth in truck traffic. Left turn traffic demand will fill the capacity of this intersection leading to long queues and delays, with vehicles waiting through more than one green cycle to clear the intersection.

- Base year (2013) rail service exacerbates exiting congestion and delays during weekday peak periods - queue length between 1,400 and 2,400 feet and wait time of up to 10 minutes.
- Planning year (2035) rail service will significantly exacerbate congestion and delays at this intersection during weekday peak periods – traffic queues are not expected to subside and will result in standing queues for most of the peak periods.

**Long-term improvements - A grade separation at the SR 432/SR 433 intersection.**

Our county, cities, port and other regional bodies are currently collaborating to build on these studies by developing a grade separated solution that addresses these well documented congestion and safety issues. These are real issues that need to be addressed irrespective of the outcome of the on-going discussion about coal export. **We want to make it clear: this project was not a coal project in 1968 or in 2009, and is not a coal project now.**

The benefits of this project are significant to our state, regionally and locally.

**VALUE TO COWLITZ COUNTY AND CITIES OF LONGVIEW AND KELSO**

Our economy is directly dependent upon the industrial base located along the Columbia River and adjacent to the SR 432 Corridor. Completion of this highway project is an important component of our long-term economic vitality and is critical for access to regional employment, education, emergency response, and recreation facilities. Construction of the SR 432 Grade Crossing Project will:

- Ensure emergency access and evacuation routes for the industrial district and adjacent Oregon users without traffic impediments.
- Reduce congestion to improve the economic competitiveness of existing large and small businesses, through reliable and timely freight service, in turn keeping our business base financially healthy and vibrant.
- Enhance the economic potential of the region by creating economic opportunities for new business development on our available developable land, such as the Mint Farm Industrial Park, to grow existing businesses and to attract new companies.
- Facilitate creation of up to 3,390 permanent jobs for residents of an economically distressed county.

**VALUE TO PORT OF LONGVIEW**

The SR 432 Grade Crossing Project is critical for efficient freight mobility on SR 432 Corridor, specifically:

- The Port of Longview is Washington’s third-largest port and the first deep draft, full-service operating port on the Columbia River.
- Cargo imported/ exported through the Port of Longview moves on to communities across our state.
- Longview is the highest export funnel for Washington’s timber exports.
Fertilizers bound for farms across our state are imported through the Port of Longview and trucked on SR 432 in support of the state’s agriculture industry.

Steel manufacturing facilities at the Port are vital to Washington’s transportation infrastructure – producing foundation material for the Everett Boeing plant, 520 Bridge approaches, Elliot Bay Seawall, Portland Avenue/ Puyallup River Bridge, Tacoma Pier, and SR 99 waterfront project in Seattle.

The SR 432 Corridor is the lifeline providing access to the Port’s existing waterfront facilities and future development at the 285-acre Barlow Point Property.

Improving freight mobility in the SR 432 Corridor and traffic operations at the SR 432/ SR 433 intersection, reduces truck traffic delays and truck operations costs at one of the busiest truck tonnage intersections in our state.

Reliable and efficient transportation infrastructure in the SR 432 Corridor enhances the regional and national economic competitiveness of the Port and improves economic opportunities for international bulk import/export business development at Barlow Point.

Financial margins on commodities are slim. Increases in transportation costs related to congestion could have devastating impacts on Washington’s timber and agriculture industries, which compete globally for market share.

IT IS CRITICAL TO HIGHLIGHT SEVERAL EXISTING ECONOMIC REALITIES.

The Washington State Freight Mobility Plan gives the SR 432 Corridor the highest designations for freight movement.

- T-1 truck freight route moving more than 10 million tons per year
- R-1 rail route moving more than 5 million tons per year
- W-1 economic waterway greater than 25 million tons per year (Columbia River)

The SR 432/SR 433 intersection, with over 20 million tons of annual gross truck tonnage, is one of Washington State’s busiest truck tonnage intersections.

State and Federal investment in the Columbia River Channel deepening has spurred billions in regional economic growth, as it was intended.

The Port of Longview has invested tens of millions in infrastructure and equipment to accommodate growing cargo demands.

Local industries (such as Weyerhaeuser, NORPAC, Specialty Minerals, HASA, Axial, Pacific Fibre, KapStone Paper & Packaging and many others) have invested billions in their operations. They are adamant that long-term highway investments must be made in this congested corridor, the lifeline to their financial health, to provide reliable and timely freight service.

Now, long-term highway improvements are vital to maintaining and sustaining the surface transportation network required to move goods on and off the river, and to and from our land-based industries.

Our coalition of partners is committed to the long-term prosperity of our local, state and national partners who benefit from the goods moved along this corridor.

Washington State relies on this corridor to move Washington’s goods to markets around the world and protect jobs in communities across the state. The 432 Grade Crossing Project enhances our regional transportation network.
and national economic competitiveness by providing a practical solution to these pressing transportation needs and addresses community objectives.

Thank you for your time and attention to this matter and please feel free to contact any of us if you have any questions on this project.

Sincerely,

David Futcher  
Mayor  
City of Kelso

Don Jensen  
Mayor  
City of Longview

Geir-Eilif Kalhagen  
Chief Executive Officer  
Port of Longview

Bill Fashing  
Executive Director  
Cowlitz Wahkiakum Council of Government

Michael A. Karnofski  
Chair  
Cowlitz County Board of Commissioners

Ted Sprague  
President  
Cowlitz Economic Development Council