



Item No.: 6A

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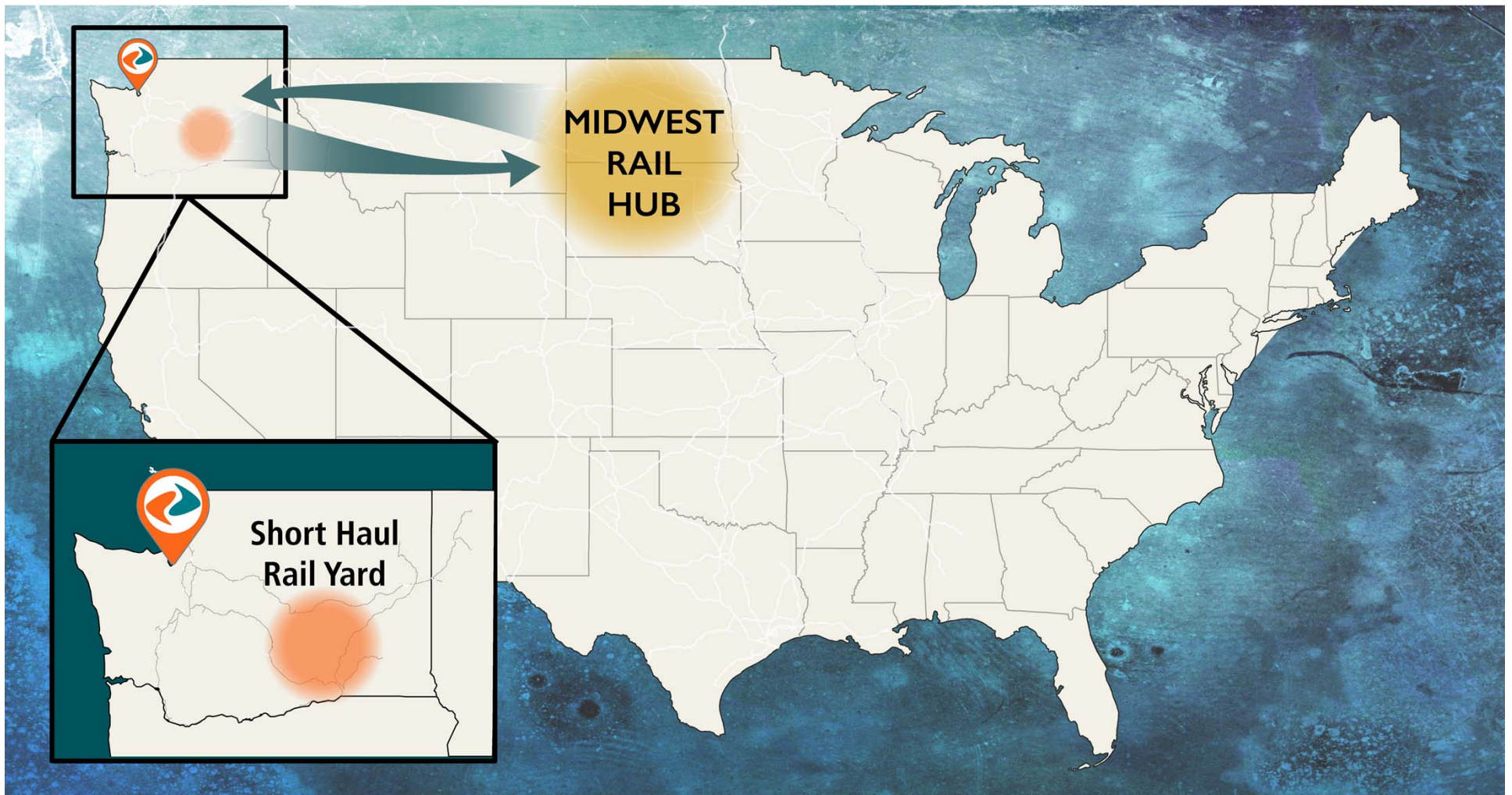
Inland Rail Hub Initiative Update

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NWSA Strategic Initiatives – Inland Rail Hub

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- Explore short-haul rail service options between NWSA and Eastern Washington
- Assess the viability of a Midwest regional rail hub



Inland Rail Hub – Characteristics

- A site located inland from a coastal port with access to rail service.
- Ordinarily located along Class 1 railroad lines and major road networks.
- Offer intermodal transfer facilities and international trade processing and other services that may be linked to specific seaports.
- Distribution centers and other warehousing facilities are generally co-located or in close proximity.

Inland Rail Hub – Benefits

For Shippers

- Access to container equipment closer to farms/DCs
- Efficient intermodal transportation
- Expanded transportation capacity
- New export opportunities – volume growth and new emerging markets

For NWSA

- Incremental export volume growth
- Improve cargo fluidity at marine terminals
- Supports BCOs and job growth for Alliance customers



Work To Date

- Multiple site visits to all potential locations
- Collaboration with local stakeholders
 - City and state elected officials and agencies, economic development offices, business development groups
- Engagement with key service providers
 - Railroads, Ocean Carriers, 3PLs, Marine Terminal Operators
- Extensive outreach to shippers
 - Demand analysis
 - Operational requirements
 - Business plan development
 - Secure commitments to support programs
- Identified funding and investment opportunities
- Feasibility analysis of short haul rail and inland port economics

Key Success Factors

- ✓ Volume – shipper support
- ✓ Committed railroad partner
- ✓ Balanced cargo – import and export
- ✓ Strong marketing plan that is flexible
- ✓ Funding – public and/or private
- ✓ Long-term commitment



Next Steps

- ☐ Continue engagement with stakeholder partners on identified projects
- ☐ Provide resource support as appropriate to bring projects on line
 - Continue project management role
 - Coordinate business plan development efforts
 - Provide operational guidance
 - Facilitate issue resolution to overcome implementation hurdles
- ☐ 2020: Complete feasibility work and establish target launch dates of viable projects