

**MINUTES OF THE REGULAR MEETING OF THE  
WASHINGTON STATE TRANSPORTATION COMMISSION  
December 14 & 15, 2010**

The regular meeting of the Washington State Transportation Commission was called to order at 9:00 a.m., on Tuesday, December 14, 2010, in Room 1D2 of the Transportation Building in Olympia, Washington.

Commissioners present at the meeting were: Chair Philip Parker, Dick Ford, Latisha Hill, Carol Moser and Dan O'Neal.

**MINUTES SUMMARY ADOPTION**

*It was moved by Commissioner Ford and seconded by Commissioner O'Neal to approve the meeting minutes of the October 19 & 20, 2010 regular meeting and minutes of the November 16, 2010 Bellevue local meeting. The motion passed unanimously.*

**WASHINGTON TRANSPORTATION PLAN (WTP) FINAL REVIEW**

*It was moved by Commissioner Moser and seconded by Commission Ford to adopt the 2011-2030 Washington Transportation Plan.*

Allegra Calder, Berk and Associates walked the Commission through the WTP's Executive Summary noting that it is different from a typical executive summary in that it is focused on what does the person reading only this document need to know.

The Commission reviewed the Final Draft WTP noting that when today's edits are incorporated the Plan is in final form.

*Motion to adopt the Final Draft as amended today passed unanimously.*

**I-5 ELECTRIC HIGHWAY PUBLIC / PRIVATE PARTNERSHIP PROJECT**

Jeff Doyle, Director, Public/Private Partnerships, WSDOT, explained that every major manufacturer will have an electric vehicle by the end of 2012. Industry is betting big on electric vehicles.

Leaf is first to market and the West Coast Green Highway is partnering with Leaf. For planning purposes, the project is using the figure of 70 miles per charge. Leaf will take a fast charge where the Volt does not.

Operating premise is that a \$30-\$40 thousand car needs to be an everyday car, not only a weekday commute car.

- Developing a safety net of Electric Vehicle Fast-charging stations throughout I-5 corridor.
- Partnerships with businesses in critical recharge zones.
- Coordinate electric vehicle infrastructure investments with other planned investments in Puget Sound region.

- Collaborate with Oregon and California.

First target markets are north of Everett to British Columbia and Lewis/Cowlitz Counties. Working very closely with Puget Sound Energy

A \$1.32 million grant is available from ARRA. WSDOT will have a Request for Proposal out by the end of the month; it will have a fixed dollar amount, but a variable contract scope, seeking to maximize the outcome. It will require that the technology be forward compatible – there is today only one 220 volt plug, but we expect another.

This project is slated to be complete at the end of 2011.

[http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101214\\_B\\_P03\\_ElectricVehicleBasics.pdf](http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101214_B_P03_ElectricVehicleBasics.pdf)

[http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101214\\_B\\_P03\\_I5ElectricHighway.pdf](http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101214_B_P03_I5ElectricHighway.pdf)

**Follow up/Action: Continue to monitor Green Highway.**

### **PUBLIC / PRIVATE PARTNERSHIP BEST PRACTICES STUDY**

Mr. Doyle and Ms. Griffith talked to many governmental entities to compile some data and criteria on successful PPPs. The Report will include recommendations about how to have a more effective PPP program, including possible revisions to foster non-toll PPPs.

Areas of possible recommendations:

- No mandatory panels required.
- No specific contractual provisions required in law.
- Allow moratorium to expire; best ideas will come from an inspired developer, not the state.
- Broaden how we define public benefit (beyond assessed value of a parcel).

**Follow up/Action: Review and approve Final Report at January Commission meeting.**

### **SECRETARY'S REPORT**

Secretary Hammond shared highlights of recent activities:

1. Most exciting event was bid opening for SR 99 Tunnel.
2. Additional \$161 million for rail improvements. Working together with FRA for speed and reliability improvements or additional round trips. The previous ARRA funds will add up to 6 round trip per day. A total of \$785 million for the Rail Corridor.
3. Last week Paula Hammond was elected national head of state rail group.
4. David Moseley has been talking to ferry communities about possible service reductions.
5. Columbia River Crossing is moving toward a conclusion of EIS. C-Tran is considering how to bring light rail to a vote. Waiting to see if \$400 million materializes. Without new revenue, the project will be out of money in June.
6. MOA signing with Quinault Nation to move forward with pontoon construction.

7. Presented to House and Senate Transportation Committees last week about JBLM. Not just JBLM; new city of DuPont, general growth in the area are responsible for I-5 congestion between Tacoma and Olympia.
8. Maintenance crews are getting a good work out, starting with Thanksgiving week and moving into this week. La Nina experiences will keep us on our toes and may run us over budget. Snow and ice removal is prioritized and well-funded.
9. Chetzemoka is sailing; first new ferry in over 12 years. Salish, the second boat will be christened next week when it goes into the water for the first time. Boat three, Kennewick, will hit the water six months later.

**Follow up/Action: None.**

## **JOINT TRANSPORTATION COMMITTEE STATE LEVEL PLANNING STUDY**

Paul Neal, Joint Transportation Committee and Kathy Scanlan, Cedar River Group described the process and goals of the Statewide Transportation Planning Study.

Commissioner Ford suggested that we should agree on what is at the top of the pyramid. Many plans are superseded by budgets. Budgets determine the projects.

Commissioner Moser stated that the Commission developed an integrated plan, with all the players at the table, is much like the planning process recommended by Ms. Scanlan. How we approached WTP is a role model of success.

Commissioner Ford said that it is important for the Legislature to indicate who convenes the planning process.

Commissioner Moser asked Dan Mathis, Federal Highway Administration if our planning preparedness has helped Washington get federal money. Mr. Mathis responded that yes it's been to our benefit.

[http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101214\\_B\\_P06\\_EvalofStateLevel\\_TranspPlans.pdf](http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101214_B_P06_EvalofStateLevel_TranspPlans.pdf)

**Follow up/Action: Review legislation when introduced.**

## **COMMISSION BUSINESS**

### **Regional Priority Projects Report**

Ms. Griffith reported that the Commission received lists from 14 of the 15 regions. Two submittals – from QuadCo and PSRC -- did not comply with the instructions.

Ms. Griffith then walked through the proposed outline. She recommended that the two nonconforming submittals be excluded from the Report, but included in an Appendix.

Commissioners discussed whether to include the project lists from PSRC and QuadCo. The Commission stressed the need to be fair to the RTPOs that limited their list to 20 projects. At the same time, a majority of Commissioners agreed that it would be wrong to exclude the noncompliant submittals.

The Commissioners also discussed the possible recommendations. Commissioner Ford suggested that a recommendation for direct funding include a match requirement. Commissioner Hill asked that we leave it up to the regions to decide how and what to match.

The Commissioners did not want to draw other conclusions from the lists and advised caution even on making observations. The regions are different, so let's not lay out a formula. No agreement with the second bullet; agreement on the third – accountability.

### **2010 Annual Report**

Paul Parker, Senior Policy Analyst, WSTC summarized what we've heard and a look ahead on what isn't in the plan. Don't do the Annual Report the way that we have in the past.

We've heard a lot about sidewalks.

Governance can be a huge diversion from immediate problems. Significant parts of the system are under different jurisdictions – what is most efficient way to move people? Transit.

Connecting Transportation and Land Use – discuss in what we've heard

Add to the Introduction that the Commission thinks transportation should align with other state policy objectives. Subsidies are necessary to have a statewide transportation system. Looking out for everybody's needs is most efficient and fairest.

**Follow up/Action: Send Commissioners Draft 2010 Annual Report for discussion at January meeting.**

### **TOLLING WORK SESSION**

#### **SR 509 and SR 167 Extensions Toll Feasibility Studies**

Craig Stone, Director, Toll Division, WSDOT, provided a report on the feasibility of tolling SR 167 and SR 509 extensions. Tolling would reduce traffic demand and enable phasing to reduce upfront construction cost. Among all the options that were studied, additional revenue is needed to fund the projects.

[http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101215\\_BP09\\_TollingStudies.pdf](http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101215_BP09_TollingStudies.pdf)

#### **Tacoma Narrows Bridge Quarterly Report**

Mr. Stone provided a snapshot of the quarterly TNB revenue report and financial plan for the first quarter. Commissioners and Mr. Stone briefly discussed infraction transactions, bridge insurance, TransCore contract terms and cash collections.

[http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101214\\_BP09B\\_TNBTollBalanceSheet.pdf](http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101214_BP09B_TNBTollBalanceSheet.pdf)

[http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101215\\_BP09C\\_TNBFinancialSheet.pdf](http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101215_BP09C_TNBFinancialSheet.pdf)

#### **TNB Photo Tolling – Citizens Advisory Committee Recommendations**

Alan Weaver, Chair, CAC and Jim Pasin, Member, CAC noted that effective July 1, 2011, nonpayment of tolls on the TNB will no longer be considered a violation. The CAC recommends

that the new adjudication process shall be adopted for TNB users who cross the bridge without a transponder or who fail to pay the cash toll at the toll booths, in which case:

- Toll Rate shall be \$7
- At 30 days a \$5 late fee shall be added to the \$7, for a total of \$12; and
- At 80 days a notice of civil penalty shall be issued in the amount of \$40 plus the \$7 toll and the \$5 late fee, for a total \$52.

The TNB CAC further recommended that TNB users who use “customer initiated” payment of tolls (10) days before or 72 hours after crossing the TNB shall pay a “toll” of \$7 less \$.50 or \$6.50. The payment must be made at time of initiation. If not paid within the allotted time:

- The user shall be billed in the amount of \$7.
- At least 30 days a \$5 late fee shall be added to the \$7, for a total of \$12; and
- At 80 days a civil penalty shall be issued in the amount of \$40 plus the \$7 toll and the \$5 late fee, for a total of \$52.
- Transponder use shall be encouraged and the present rate shall remain the same.
- The cash toll will continue at the current rate.
- Photo tolling and pay by mail as envisioned for implementation on SR 520 bridge shall not implemented on the TNB. The cash toll option shall remain and the toll booths on the TNB shall not be removed.

Commissioners and Mr. Stone discussed the percentage of tolls not collected because of inaccuracy in photo enforcement and transponder failure. Mr. Weaver and Mr. Pasin both expressed concerns about possible revenue loss.

Mr. Stone provided an overview of the three payment method for photo tolling on the TNB:

- Pay By Plate (Good To Go account w/o Transponder) photo toll.
- Customer initiated payment (Customers w/o accounts can initiate payment before or shortly after using the bridge)
- Pay By Mail (Customers w/o an account and who don't initiate payment will be sent a bill. They have 80 days to pay before being subject to civil penalty)

Proposed rate differential is based on estimates of incremental costs and losses for pay by mail users. Estimated losses due to failure of customers to pay toll bills are not included. Without data on actual pay by mail costs and losses, there is significant uncertainty and costs and losses have been projected using low and high risk factors.

[http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101215\\_BP09\\_TNBPhotoTollAnalysis.pdf](http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101215_BP09_TNBPhotoTollAnalysis.pdf)

### **PUBLIC COMMENT**

Paul W. Locke expressed his concern with selling bonds and the state's ability to repay the bondholders.

Randy Boss expressed that photo tolling is a gray area. There is a 10 percent unreadable rate with photo tolling and many will take this option simply because of that. WSDOT will disclose what the collection costs are going to be, they're guessing its \$1.50, but if it costs more that will eventually

cost the bridge users in higher tolls. The CAC wants to make sure there is no transition by charging the photo toll rate at \$7 because it would be the most beneficial to the toll payers.

Representative Seaquist recommended that we watch month-by-month during the transition period.

Chris Meyers, CAC member noted that the photo toll rate would need to be a minimum of \$7 to maintain the revenue.

*It was moved by Commissioner Moser to adopt tolling option 2 pay by mail \$5.50 for purposes of releasing the CR 102 for filing with the Code Reviser. The motion passed unanimously.*

[http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101215\\_B\\_P09\\_CACRecommendation.pdf](http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101215_B_P09_CACRecommendation.pdf)

### **SR 520 Toll Exemptions – Tow Trucks and Motorcycles**

Mr. Overstreet, Public Affairs Director, AAA Bellevue and Al Runte, Owner, Ibsen Towing, requested that registered tow truck operators be exempt from tolls on the bridge when they respond at the direction of the state patrol.

Mr. Stone indicated that some facilities toll motorcycles differently and some don't. A motorcycle takes about 96% of the space of a passenger car. If the purpose of the toll is to generate revenue or move traffic, WSDOT recommends the motorcycle rate remain the same. If motorcycle toll is at a 50% rate when tolls are collected, the projected revenue loss for SR 520 construction tolling would be \$5.0 million; if tolled at 50% only at peak hours; the projected loss would be \$2.5 million.

The Commission agreed to include weekend rates for six holidays and decided to review/take into consideration various exemptions until the January 5 hearing.

*It was moved by Commissioner O'Neal and seconded by Commissioner Moser to approve weekend rates for six holidays. The motion passed unanimously.*

### **NOVEMBER TRANSPORTATION REVENUE FORECAST**

Lizbeth Martin-Mahar, Assistant Director, Economic Analysis, Budget & Financial Analysis, Strategic Planning & Finance, WSDOT provided an overview of the November 2010 Transportation Revenue Forecast noting that economic variables have small changes since the September 2010 forecast.

[http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101215\\_B\\_P10\\_November2010RevenueForecast.pdf](http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101215_B_P10_November2010RevenueForecast.pdf)

### **FERRY RIDER SURVEY UPDATE**

Bill Svendsen and Marlene Holm, Market Decisions Corporation explained that the Summer Survey indicated strong support for peak/off-peak pricing differential. Ms. Holm noted that support for a fuel surcharge is generally higher as you move further from the Sound. Seventy-five percent perceive good value.

The Capital Funding Survey correctly identifies that only 30% of the state as sole source of capital funding. Forty-three percent correctly identify fares as the dominant source of operating funds.

Seventy one percent of ferry riders feel that funding for WSF's capital needs is a major problem, with 30% thinking that it needs to be dealt with now and 41 % feeling that it needs to be addressed in the next two-five years. Seventy two Percent feel that the existing ferries are in need of major repairs or replacement and 62 % think WSF needs more boats. Forty percent of the respondents believe that WSF's capital funding needs should come from an increase in statewide taxes, such as gas or sales tax. Increasing the statewide gas tax had the highest support to meet the capital funding needs of ferries. Roughly half (45%) of ferry riders would completely support charging an additional \$.10 per fare with the money collected going into a dedicated fund for ferry capital improvements.

[http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101215\\_B P11\\_SummerSurvey.pdf](http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101215_B P11_SummerSurvey.pdf)

[http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101215\\_B P11\\_CapitalFundingReport.pdf](http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101215_B P11_CapitalFundingReport.pdf)

**Follow up/Action: Review and Approve Final Ferry Survey later in 2011.**

## **WASHINGTON STATE FERRIES (WSF) WORK SESSION**

### **External Management Review**

David Moseley, Assistant Secretary, Ferries Division, WSDOT shared that total management cost at WSF is comprised of 5 percent (\$23 million) of the total budget and even if the entire administration at WSF were taken away the system is still not financially sustainable. Fifteen percent (\$63 million) is vessel and terminal maintenance and 80 percent (fuel \$79 million and labor & other costs \$262 million) vessel and terminal operations. The leadership team is having on going meetings to make certain that alignment is well connected and direct. Reforms have been implemented with the exception of payroll reports due to the current system's inability to provide the details necessary for analysis. Requests for payroll analysis are being performed manually.

[http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101215\\_B P12A\\_OngoingFerriesReforms.pdf](http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101215_B P12A_OngoingFerriesReforms.pdf)

### **Fuel Cost Mitigation Report**

David Moseley, Assistant Secretary and Jean Baker, Deputy Chief, Finance and Administration, Ferries Division, WSDOT explained that this Plan has three elements:

- Budget management strategies, including the new fuel price forecast, fuel hedging as a budget stabilization tool using the current fuel distributor
- Conservation strategies, by vessel and system-wide
- Revenue strategies, through implementation of a fuel surcharge

Hedging options were evaluated on program costs, fit with budget process, transparency, risk, and implementation challenges. Distributor hedging strategy is the best option because of ease of implementation, no start-up costs, low ongoing costs, low risk, and good fit with current budget policies and schedule.

Commissioner Ford noted that there is a lot of education to be done with the customers. WSF has modeled what would have happened if fuel had been hedged.

[http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101215\\_B P12A\\_OngoingFerriesReforms.pdf](http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101215_B P12A_OngoingFerriesReforms.pdf)

### **Mukilteo Terminal Plans**

Mr. Moseley and Timothy Smith, Director of Terminal Engineering, Ferries Division, WSDOT explained the activity at Mukilteo Terminal. Federal Transit Administration is the EIS lead for this Multimodal Transportation Project.

Public comment overwhelmingly supported keeping the terminal in Mukilteo. A key element has been tribal coordination. Response has been fairly positive. Last Friday, December 10, the tribes laid out criteria and conditions to move forward.

Next steps:

- FTA will release scoping report in January 2011
- Prepare Draft EIS, aiming for Final EIS in spring/summer 2012
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Next steps are to release the scoping report and report to the Legislature in January 2011. The final EIS will be prepared in Spring/Summer 2012 and a record of decision will be issued in Winter 2012.

[http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101215\\_B P12C\\_MukilteoProjectUpdate.pdf](http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101215_B P12C_MukilteoProjectUpdate.pdf)

### **Response to PVA Recommendations**

Mr. Moseley and Captain Capacci, Deputy Chief of Operations & Construction, Ferries Division talked about implementing the PVA recommendations:

- Making vessel captains management's representative on the ferries.
- Improving accident and injury-prevention measures.
- Improving ways to measure success in areas such as customer satisfaction, on-time performance, and cost efficiency.
- Ensuring that staffing is appropriate for the number of passengers being carried.
- Imposing a system-wide, two-minute loading cut-off before sailings.
- Requiring staff to meet new customer-service standards.
- Right-sizing capital design and management.
- Dedicating a capital funding source.

**Some recommendations are under review:**

- Governance model.
- Vessel loading and unloading procedures.
- Using pricing to manage demand.

[http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101215\\_B P12D\\_PVAReport\\_WSFActionPlan.pdf](http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/December14/documents/20101215_B P12D_PVAReport_WSFActionPlan.pdf)

*If you would like additional detail on what occurred at any Commission meeting in Olympia, please refer to our web site at [www.wstc.wa.gov](http://www.wstc.wa.gov) and click on the link titled "Meeting Audio on TVW" under the 2010 Olympia Meetings section of the home page. There you will be able to access the full audio recording of the meeting. If you have questions please contact our office at 360-705-7070.*

WASHINGTON STATE TRANSPORTATION COMMISSION

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Secretary of Transportation

ATTEST:

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REEMA GRIFFITH, Executive Director

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DATE OF APPROVAL