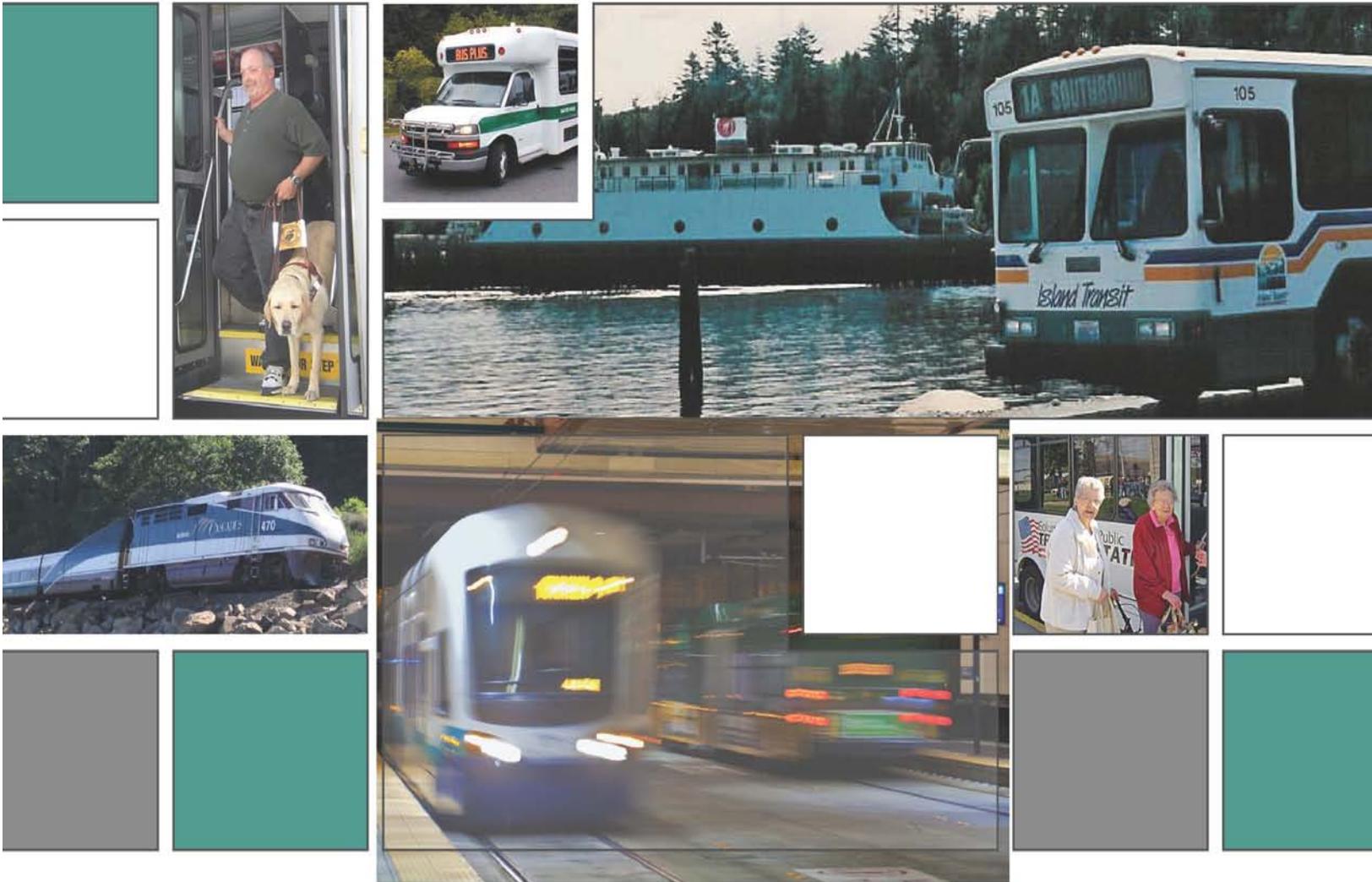


Identifying the State Role in Public Transportation

Final Report



Washington State Legislature Joint Transportation Committee

January 2011

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For more information about this study, please refer to the Washington State Legislature –
Joint Transportation Committee website: <http://www.leg.wa.gov/JTC>

State Role in Public Transportation

Executive Summary

Introduction

During the 2010 legislative session, the Washington State Legislature commissioned a study designed to identify the state role in public transportation and to develop a Blueprint to guide future state investments in public transportation. For purposes of this study, public transportation was broadly defined to encompass ferries, intercity passenger rail and intercity passenger bus services, special needs services, as well as public transit. In addition, the State wished to evaluate the role that the private sector plays in relation to the provision of public transportation. The term “investment” was also interpreted broadly—to encompass not just the state’s funding role but also how it deploys state resources through coordination, technical assistance, oversight/reporting, and policy activities.

A fundamental premise underlying this study is that the state has an interest in assuring a healthy, comprehensive, and integrated public transportation system in Washington State. An effective public transportation system is necessary as its population continues to grow, as it seeks to further advance growth management policy goals to develop in more efficient and environmentally sustainable ways, and as it strives to remain economically competitive. A viable public transportation system – as an element of the state’s broader transportation system – will be increasingly critical to achieving future state goals. It will help to assure that the state’s transportation system will provide the mobility, access, and capacity necessary for the effective movement of people and goods that is critical to a high quality of life for all of the citizens of Washington State.

The state plays a significant role in several aspects of public transportation—particularly the Washington State Ferries, the high occupancy vehicle (HOV) system in the central Puget Sound region, and intercity passenger rail service. However, public *transit*, which provides the majority of public transportation services in Washington State, is fundamentally a local responsibility. The state has enacted laws providing for the establishment of local and regional transit districts and allowing for local investment decisions by local elected officials. Funding has also been authorized at the local level through voter-approved tax options, primarily sales tax. As a result, nearly three quarters of all funding for transit is from local option tax authorizations, the bulk of which is sales tax.

Until the passage of Initiative 695 in 1999 and the subsequent repeal of the motor vehicle excise tax (MVET), the state played a larger funding role by providing MVET matching funds to transit agencies. In 1999, the MVET provided \$256 million to public transit agencies, which comprised approximately 26 percent of their total revenues at that time. This source of funding helped to create many of the agencies providing public transportation services across the state today and played an important role in stabilizing revenue streams, mitigating the fluctuations associated with the more volatile sales tax.

Subsequent to the repeal of the MVET, the legislature created a new higher sales tax authorization for transit systems to replace these funds, and over the last decade some transit agencies replaced lost MVET funds through voter-approved increases. However, the recent economic recession has created significant revenue shortfalls for not only transit agencies but for the state and other public

transportation providers as well—to a large extent eroding the revenue increases successfully passed by voters in some areas. The severity of the recession is projected to have significant long-term impacts and is forcing public transportation providers, including the state, to make difficult decisions as they struggle to maintain a sustainable network of services. Some of those decisions are negatively affecting statewide transportation goals related to mobility, economic vitality, the environment, safety, system preservation, and stewardship.

The above issues drove the Washington State Legislature to conduct this study to evaluate the following:

- What is the state's **interest** in public transportation?
- What **goals** does the state want to achieve?
- What is the right **role** for Washington State?
- How does the state **measure** whether it's achieving its goals?

Study Process

The study involved evaluating the state's current role in public transportation and identifying possible areas for refinement, identifying and assessing what needs are not currently being met, and identifying performance measures to guide future state investments and decision making. This research and analysis was documented in three white papers that are posted on the Joint Transportation Committee (JTC) website (<http://www.leg.wa.gov/JTC>); click on "Completed Studies."

The JTC appointed a Public Transportation Advisory Panel (Panel) to provide information and input to the study. The 29-member Panel consisted of legislators, public transportation providers, private providers, transportation planning professionals, major employers, and transit users. One-on-one interviews were conducted with the Panel members in advance of its first meeting and results of the research conducted were shared with the Panel both prior to and during each meeting. The meetings were public, and time for public comment was provided at each meeting.

The Panel met four times during the course of the study in a series of workshops that focused on the role of the state, issues facing public transportation providers and users, and the role of performance measures in shaping future state decision making. The primary objective of the meetings was to build a common level of understanding of issues, interests, and concerns and to solicit input on the four questions identified above. Summaries of Panel meetings are included in Appendix A.

In addition, a peer review was conducted with representatives of seven other states to understand what role other states play in public transportation and their approach to performance management. The peer review states included California, Maryland, Tennessee, Florida, Pennsylvania, New Jersey, and Texas. A summary of the findings from those interviews are included in Appendix E.

Key Finding

The most significant finding of this study is that the state's institutional and reporting frameworks and processes are not optimized to allow decision makers to consider *public transportation* in the broader context of the state's overall *transportation* system. This, in large part, reflects the fact that the state

does not own or operate the largest component of the public transportation system, public transit. It has instead explicitly delegated that responsibility to local and regional providers.

The state prepares a number of reports that evaluate the performance of state funded and operated systems, including roads, ferries and intercity passenger rail as part of the Washington State Department of Transportation's Gray Notebook, the agency's primary performance reporting tool on the agency's activities, programs and projects. A relatively new report, prepared biennially by the Office of Financial Management (the Biennial Transportation Attainment Report), assesses progress toward the state's transportation goals and the overall performance of the transportation system. As with the WSDOT Gray Notebook, however, it provides information on ferries and intercity passenger rail, but none on public transit. At the same time, reports on public transit, commute trip reduction, and coordinated service programs, which are integral to the state's public transportation network, are prepared separately (e.g., the Annual Summary Report on Public Transportation prepared by WSDOT) .

This approach obscures the fact that all elements of the public transportation system are integral components of a healthy overall transportation system, and fragments the framework through which policymakers make decisions. As a result, when transportation leaders are focused on addressing emerging issues and establishing state transportation priorities, key elements of the public transportation system are less visible. This framework can also hinder the development of creative partnership opportunities where state investments and programs can be integrated with those of public transit providers to better achieve the state's transportation goals. Given the increasing need for multimodal solutions and for maximizing the capacity and efficiency of the state's investments, this approach does not position the state for addressing the state's overall transportation needs in a comprehensive or holistic manner.

Recommendations – Moving Toward a Multimodal Perspective

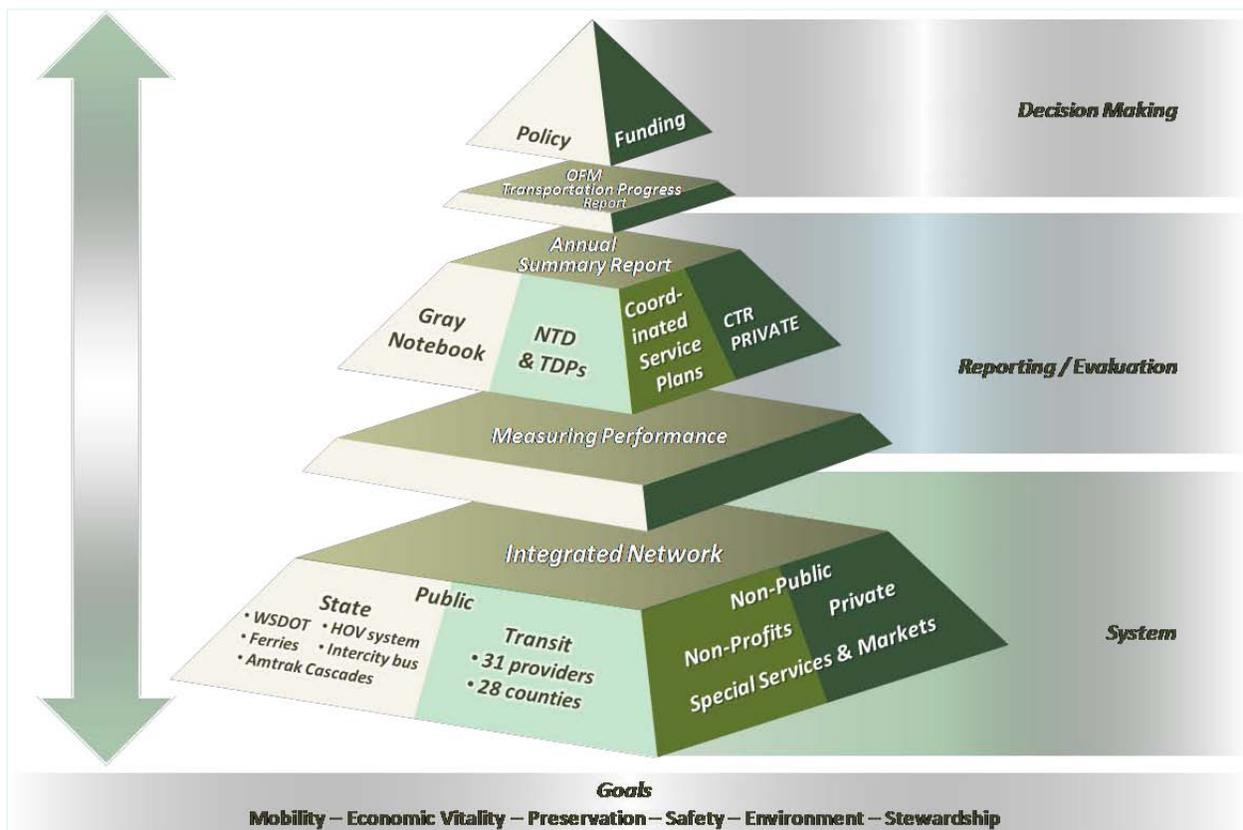
This study was designed to address the fundamental question of what should be Washington State's role in the future. Based upon the analysis conducted and the feedback from the Advisory Panel, Washington State has a very broad and critical role in the development of a holistic transportation network that includes public transportation investments and services. Specifically, the state has a role in:

- Integrating public transportation into regional and statewide planning
- Developing and promoting policies (and removing barriers) to encourage the use of all public transportation modes
- Assessing the adequacy of funding sources and developing new funding strategies to address statewide concerns (which may not be the same as the local concerns)
- Aligning reporting and data collection to provide a comprehensive and useful picture of transit
- Establishing a consistent set of measures to assess public transportation system performance

Based on the key findings and observations discussed above, the findings generated through the three white papers prepared as part of this study, and through discussions with the Advisory Panel the following themes have been developed. Specific recommendations associated with each theme are presented in more detail in Section III of this report.

1. **Transportation Integration**—In each WSDOT region, and where necessary at the sub-region, institute a new regional integration role to better integrate public transportation into state transportation planning and programming activities and to foster greater partnerships between the state and public transportation providers.
2. **Policy Refinement**—Develop, enhance and revise policies that promote the use of public transportation, maximize its effectiveness and eliminate barriers to its use.
3. **Refocus Resources**—Assess the adequacy of funding sources, reevaluate the focus and distribution of existing state funding resources, evaluate increasing existing state revenues, and in the long term, provide new resources to meet statewide public transportation needs.
4. **Align Reporting**—Align reporting and data collection with the federal process, consolidate public transportation planning and reporting processes and focus on identifying overall trends in order to provide a more useful and comprehensive picture of public transportation.
5. **Focus on Performance**—Develop a consistent set of measures that are applied to all state, regional and local public transportation modes and integrate those into the state’s transportation reporting framework to enable policy leaders to identify public transportation trends in the broader context of the overall transportation system and goals.

A Blueprint for Reporting and Decision Making



The study recommendations focus primarily on the key finding described above and propose a Blueprint for the annual evaluation of public transportation elements as part of the state’s assessment of the

overall transportation network. The research results, the key findings, and the Panel discussions helped shape the recommendations and have led to the development of a new Blueprint designed to provide information to transportation leaders that will support and help guide their future decision making related to both transportation policy and investment.

This process is described in greater detail in Section IV of this report. In general, the process is depicted as a pyramid that builds upon the state's six transportation goals as a foundation and encompasses all public transportation services in the state. It focuses on developing new institutional processes designed to more systematically integrate public transportation planning and decisions with other state transportation decision making. It proposes a new framework for reporting on overall transportation system performance, one which provides a more comprehensive assessment of the public transportation network as a whole and one where each element of the public transportation system will be evaluated using a consistent set of measures. Reports will provide basic summary information that specifically addresses the state's transportation goals and will also identify emerging issues, future needs, and challenges. This information will then be combined into a revised summary report on public transportation that consolidates on-going trends and issues related to the entire public transportation system for policy makers to use as the basis for investment and policy decisions.

Each level is designed to bring information together in a coordinated and consistent fashion. Recommendations related to this Blueprint focus on refining and enhancing existing reporting activities and functions to create a more comprehensive picture of public transportation for policy makers. Finally, the Blueprint and associated recommendations propose a structured set of reports that support an overall transportation progress report that is expanded to include all transportation elements necessary to achieve state goals.

I. White Paper Key Findings

A major part of the study effort was research of the initial questions posed by the Legislature: What is the state's interest in public transportation, what is the state's current role, and what are the current unmet needs. From this, the analysis focused on identifying the state's future role, future trends and needs, and evaluation measures to assess the effectiveness of its investment. This section provides a high level summary of the research conducted and the key findings from the three white papers produced for the study. These white papers are contained in Appendices B, C and D.

White Paper #1—Unmet Public Transportation Capital and Operating Needs

This white paper presents information on current public transportation programs, funding, and emerging issues in Washington State with the aim of assessing the extent and nature of any unmet needs. Unmet needs were defined as those services and capital facilities considered justified by individual provider policy boards or agencies which cannot be currently provided. This includes those associated with the current recession which has resulted in the elimination or reduction to existing service, deferrals of capital investments and stagnant levels of specialized services despite growing demand. Other unmet needs could include those that have been identified but for various reasons have not been addressed, such as intermodal or intersystem connections, or deferrals of planned longer-range system expansions designed to meet projected future demand associated with population and employment growth.

Key findings include:

- There is no common definition of “unmet need” and that there is no one source of information. Many observations are anecdotal and often do not have a strong data or rationale basis supporting the unmet need observation.
- Public transit providers have experienced three successive waves of financial impact with the first wave occurring in 1999 with the loss of MVET revenues. The second wave occurred with fuel price volatility that occurred in 2008 which increased operating costs. The current recession represents the third wave, with a 12.7-percent reduction in revenues in 2009, forcing service cuts, fare increases, and deferred investments.
- Specialized transportation services (for the elderly, persons with disabilities, etc.) are provided by public transit systems, non-profit organizations, and private operators under contract to public agencies. For public transit systems, specialized services incur a much higher cost per rider than fixed-route service and a growing proportion of agency budgets. For private, non-profit organizations, funding is heavily dependent on federal and state funding, often through grants which require ongoing support.
- Even in this era of fiscal challenge, demand for public transportation is growing as the state's population and employment continues to grow. Demographic shifts are creating more demand, with an increasing number of people aged 65 or over, particularly in rural counties where the elderly population is growing at a faster rate than in urban areas. New policy initiatives (climate change, tolling) are also likely to increase demand for public transportation.

White Paper #2—Assessing the State’s Current Role in Public Transportation

This white paper presents information on, and an assessment of, the state’s current role in public transportation in the context of four broad categories: (1) policy and planning, (2) direct operations, (3) funding, and (4) coordination and oversight. It reviews the state’s adopted transportation goals and provides an overview of current state policies, responsibilities, and activities related to public transportation programs and funding. The paper was designed to ensure a common understanding of the state’s current role in meeting those goals and to serve as the basis for identifying possible changes to the state role.

Key findings include:

- The state serves an active role in setting policy and direction. The six transportation policy goals enacted by the Washington State Legislature establish a broad framework for transportation within the state. The state sets a long-range vision through the Washington Transportation Plan (WTP), which identifies the goals and strategies for the development of the overall transportation network.
- Several state policy objectives relate to growth management, traffic congestion, and greenhouse gas reduction guide expectations related to the transportation system. The state is a leader in Commute Trip Reduction (CTR) legislation focusing on reducing single-occupant vehicle work travel.
- The State plays a significant and direct role through its funding, ownership, and management of high occupancy vehicle (HOV), state ferry and contracting for the operation of intercity bus (*Travel Washington*) and rail (*Amtrak Cascades*) services. With the recent award of significant federal American Recovery and Reinvestment Act (ARRA) grant funds, the state’s role in intercity passenger rail service will likely grow in the future.
- The state’s role in relation to public transit is primarily focused on providing authorization for the creation of local and regional transit agencies and authorizing local option taxes. The state also provides some direct funding through two grant programs, the Regional Mobility Grant Program and the Rural Mobility and Paratransit/Special Needs Grants Program. Other than these two programs, the state plays a relatively small role in funding for public transit.
- The state is actively engaged in the federal and state grant coordination program for meeting health and human service public transportation and rural mobility needs and plays a role in administering several small federal grant programs.
- WSDOT’s Public Transportation Division plays a coordination role and oversight role of various public transportation elements and some federal funding allocations. It also oversees the Commute Trip Reduction (CTR) program, coordinating with local jurisdictions, employers and transit agencies across the state to fulfill program goals. In addition, it collects information on public transit agencies and prepares an annual report on public transportation. While this report provides detailed data on individual providers, it lacks a comprehensive assessment of the public transit system or present analytical data for decision making purposes. It is unclear how the report is used by transportation leaders for setting policy or funding priorities.

White Paper #3—Efficiency and Accountability Measures

This paper provides an overview of performance management. It describes current public transportation performance management practices at the federal, state, and local levels and summarizes current performance management practices in Washington. A summary of a peer review findings regarding the relationship between state roles and the use of performance management is also included.

Key findings include:

- Performance management is a process that allows an organization’s leaders to make informed decisions, communicate successes, and revise or develop new policies and programs. The degree to which the state plays a role in public transportation performance measures should be clearly tied to the state’s goals and its role.
- Washington’s current use of performance measures is generally aligned with its current roles in public transportation. More specifically, where the state plays a role in funding and operating services (ferries, intercity passenger rail), it uses measures for evaluating performance and decision making. Some are directly aligned with state goals.
- Current reporting on other public transportation services is not integrated, with different reports provided on transit agencies, commute trip reduction achievements, and coordinated services transportation. Reporting is not tied to state transportation goals.
- Washington transit agencies currently submit statistics at the federal, state, and local levels. These measures are not aligned with state goals.
- The use of performance measures in other states is generally consistent with their established levels of involvement in public transportation.

II. Washington State's Transportation System: Moving Toward a Multimodal Perspective

A key outcome from the study and advisory panel interaction was a desire to see public transportation become a more integrated component of the transportation system. In order to achieve this objective, the state should develop a total transportation vision that includes public transportation as an integral part of the transportation system.

Washington State has an interest in an effective and efficient transportation network. Public transportation is an essential component of that network. The state has an interest in providing mobility in the state's most congested areas, in fostering economic vitality through job access and job creation, and in assuring that the state's citizens have access to basic life-sustaining services in all communities.

The public transportation advisory panel convened for this study recognized that the basic role the state currently plays is consistent with these objectives. However, with additional research and assessment, they also identified that while that role was consistent, the existing approach needs refinement. Public transportation in a broader sense needs to be integrated into the statewide transportation picture to enhance decision making and better communicate a more holistic approach, regardless of who provides the infrastructure or service.

This key theme emerged in early discussions and continued throughout the study process. This and other key themes included:

- **Focus on the big picture**—Integrate public transportation more systematically into statewide planning to better integrate systems and improve connectivity for all users.
- **Focus on meeting state goals**—Show how public transportation helps to achieve state goals, such as mobility and the environment.
- **One size does not fit all**—Acknowledge that the state is diverse and includes a mix of large and small, urban and rural communities and issues which require a flexible approach.
- **Funding**—Address the need for stability, greater flexibility, and better coordination of resources.
- **Special services**—Strive to ensure that the basic mobility needs of persons dependent on public transportation (elderly, persons with disabilities, youth, etc.) are met.

III. Recommendations

The primary finding of this study is that the state does not have the institutional or informational framework or tools in place to allow decision makers to consider public transportation in the broader context of the state's overall transportation system. The recommendations are built to begin a process of a culture change in integrating public transportation issues and investments in the overall state transportation decision making structure. Some changes are designed to develop reporting tools to provide decision makers with a more comprehensive picture of public transportation issues and challenges. Some recommendations are designed to integrate public transportation issues into the way WSDOT, and the state overall, approaches transportation decision making.

The recommendations proposed build off of this key finding. They are organized around five key themes.

1. **Transportation Integration**—In each WSDOT region, and where necessary at the sub-region, institute a new regional integration role to better integrate public transportation into state transportation planning and programming activities and to foster greater partnerships between the state and public transportation providers.
2. **Policy Refinement**—Develop, enhance and revise policies that promote the use of public transportation, maximize its effectiveness and eliminate barriers to its use. .
3. **Refocus Resources**—Assess the adequacy of funding sources, reevaluate the focus and distribution of existing state funding resources, evaluate increasing existing state revenues, and in the long term, provide new resources to meet statewide public transportation needs.
4. **Align Reporting**—Align reporting and data collection with the federal process, consolidate public transportation planning and reporting processes and focus on identifying overall trends in order to provide a more useful and comprehensive picture of public transportation.
5. **Focus on Performance**—Develop a consistent set of measures that are applied to all state, regional and local public transportation modes and integrate those into the state's transportation reporting framework to enable policy leaders to identify public transportation trends in the broader context of the overall transportation system and goals.

Each theme contains a series of specific actions to help develop the state's approach to public transportation decisions and investments. They focus on developing a way for the state to integrate public transportation into a more comprehensive approach to transportation decisions. The following details the intent and specific activities necessary to achieve each recommendation.

Moving Toward a Multimodal Perspective

- 1. *Transportation Integration—In each WSDOT region, and where necessary at the sub-region, institute a new regional integration role to better integrate public transportation into state transportation planning and programming activities and to foster greater partnerships between the state and public transportation providers.***

The Legislature and the Governor and WSDOT should develop ways to better integrate public transportation into a comprehensive approach to developing an effective and efficient transportation network. This recommendation is to specifically integrate public transportation into WSDOT's basic decision making processes. It intends that public transportation become an integral part of WSDOT's "way" of doing business to drive a more multi-modal approach to local highway decision making and not just rely on the Public Transportation Division to represent public transportation issues and concerns.

- A. Create a WSDOT Public Transportation Integration role within each WSDOT region, and in some cases sub-regions. This does not necessarily mean creating a new position. It would mean designating a key individual within the region whose role is to help effect a cultural shift in thinking so that public transportation is more systematically and systemically considered as part of overall state transportation planning and decision making. The position should be integrated as part of the regional WSDOT organizational structure for better engagement in WSDOT activities and not be Olympia-based or part of the Public Transportation Division. This is to facilitate breaking down silos and ensure that local issues are addressed in collaboration with overall state guidance developed by the Public Transportation Division. The ultimate goal would be that public transportation providers view this position as an asset designed to identify and leverage partnership opportunities and decisions. This position should coordinate with and represent public transportation interests, needs, and issues as they relate to state projects and plans and serve the following capacities:
 - (1) Act as a "change agent" within the Department and be integrated within its decision making processes. This position should have the following characteristics:
 - A person at the regional level and in some regions include sub-regional representation
 - Be a position with adequate authority to accomplish its objectives
 - Be tailored to the issues, needs, and concerns of the local region, and sub-region where appropriate, as they relate to public transportation
 - Focus on partnership opportunities and connectivity between systems and modes (as appropriate)
 - Directly report to each Region's Administrator

Serve in a coordination role including, but not limited to

- Integrate public transportation plans and needs and proposed state projects and priorities and ensure early consideration of public transportation in state projects and actions
- Bring all public transportation providers together to address state goals and objectives including, but not limited to, public transportation system connectivity, gaps, access, and mobility
- Participate in regional planning activities to represent state interests and needs related to public transportation

(2) Provide an annual briefing to the Legislature by region on outcomes/results of integration efforts

- B. Build upon the work begun on the Main Streets Highways program that addresses the needs of all users of transportation corridors. Institute an inclusive stakeholder group (consisting of representatives of all user groups of the transportation network, as well as city, county, and state transportation officials) to expand upon the Main Streets Highways idea to develop a new approach or checklist for assessing project improvements. Such an approach, in use by some states and the subject of new federal funding programs, seeks to ensure that all users of the transportation network are considered in all phases of transportation planning and development. Research the applicability of new grant options for development of these corridors.

2. Policy Refinement—Develop, enhance and revise policies that promote the use of public transportation, maximize its effectiveness and eliminate barriers to its use.

It is recommended that the following policies be revised or developed to enhance the provision of public transportation services.

- A. Broaden the essential public facilities definition to include elements of public transportation.

(1) Revise RCW 47.06.140 Transportation facilities and services of statewide significance—Level of service standards—to identify public transportation facilities provided by transit agencies, such as park-and-ride lots and transit centers where multiple services and providers come together.

(2) Revise RCW 81.104.015—Definitions—expand meaning of “public transportation facilities” to include facilities that encourage the transfer of passengers between services, modes, and systems.

- B. Codify Washington State Department of General Service Administration guidelines regarding Location of State Worksites.
 - (1) Enact legislation to require, where appropriate, state worksites and state permitted public facilities to be located within easy access to public transit services.
 - (2) Specifically identify the importance of siting medical and social service facilities of importance to citizens requiring special needs transportation, where possible.
- C. Develop incentives that encourage public/private partnerships between public transportation providers, the private sector, and local jurisdictions.
 - (1) Evaluate the extent to which statutory or policy barriers impede funding partnerships, such as usage of state rights-of-way, air leases, and disposition of transit stop advertising revenues, and consider modifications necessary to eliminate barriers, speed processing, and develop public transportation supportive policies.
 - (2) Task the Public Transportation Division, working with public and private public transportation providers, to establish conditions under which private providers can use public facilities (HOV lanes, park and rides, etc.).

3. Refocus Resources—Assess the adequacy of funding sources, re-evaluate and refocus the distribution of existing state funding resources, evaluate enhancing existing state revenues and provide new local resources to meet statewide public transportation needs.

Develop new sources and alter or increase existing sources to generate new funding options.

- A. As informed by the reporting and policy review process (identified in Recommendations 4 and 5 below), focus Regional Mobility Fund to explicitly target state priorities as they evolve over time.
- B. Provide a predictable source of funds for health and human service and rural services by evaluating a shift from a grant-oriented process to a more formula (or consistent) funding or other predictable approach.
- C. Reassess current allocation of state public transportation investments to identify a new pilot innovations program related to projects and initiatives that encourage
 - (1) Transit supportive development
 - (2) Technical innovation solutions to improve public transportation speed and reliability and public communication of alternative modes of transportation
 - (3) Alternative fuel development to meet state environment goals

- (4) Methods to identify and address institutional silos across state and other governmental institutions (e.g., to assess and address effects of policy and funding decisions on the provision of public transportation services and the cost of providing that service)
- D. Develop new revenue sources for transportation funding, focusing on options that provide more flexibility in the use of funds for all transportation purposes. New sources should be excluded from 18th amendment restrictions on the use of funds for only highway purposes.
- (1) As alternative energy sources become a larger share of fuel consumption, consider new user fees on these energy sources that replace declining gas-oriented sources. These sources should allow for investment in all transportation elements, including public transportation.
 - (2) Revise and reconsider current fee structures, such as sales tax on gas, indexing fees to inflation, or reestablishing MVET funding for public transportation purposes.
 - (3) Consider flexible use of future tolling revenues and focusing those resources on tolled corridors where transit can play a significant role in enhancing people-carrying capacity and congestion relief.
- E. At each biennium, reassess the current allocation of existing and new state funding source(s) based upon how the transportation system, including public transportation objectives, is meeting state goals. Resources should be targeted at emerging trends and issues identified through the OFM Attainment Report or the Annual Washington State Public Transportation Assessment Report.
- F. Provide new local tax/fee options for transit providers to reduce funding volatility and provide alternative funding streams for all transit providers.

4. *Align Reporting—Align reporting and data collection with the federal process, consolidate public transportation planning and reporting processes and focus on identifying overall trends in order to provide a more useful and comprehensive picture of public transportation.*

The state should create an integrated, bottoms-up performance reporting process that builds off existing information (as opposed to creating new reporting requirements). The vision driving the specific recommendations and the process proposed below is to establish an integrated approach to collecting information from all public transportation providers, to align reporting schedules, and to refocus reporting more around analysis of issues and trends and away from simply compiling exhaustive amounts of data.

Reporting on public transportation investments at the state level is fragmented and information is derived from many different sources. Reports prepared include WSDOT's Gray Notebook for state operated services, Transit Development Plans (TDP) and National Transit Database (NTD) reports from transit agencies, MPO/RTPO mandated planning documents for special service providers and

state CTR reporting by individual employers and Regional CTR reporting by the MPO's in the nine affected counties. In addition, as has been emphasized in this report, this reporting is done in isolation from reporting on the broader state transportation system.

The information collected by the state lacks a coordinated approach and adequate assessment and analysis to synthesize key issues and trends for decision makers. As a result, issues and trends critical to state interests are not identified in any systematic or comprehensive manner. Decision makers do not lack information but are actually overwhelmed by too much information. In addition, they are not provided with analysis highlighting changes over time, which would give them the ability to identify emerging issues, opportunities, and challenges that need to be addressed.

The recommendations below focus on refining how the state collects and reports information related to public transportation and recommends that a more analytic approach be taken in order to provide decision makers with a high-level, comprehensive overview. Reporting requirements should be applied uniformly to all state, regional and local public transportation modes. At the same time, it is recommended that information continue to be collected at the individual system level to allow for a deeper exploration of specific issues as necessary.

- A. Broaden the current Annual Summary of Public Transportation Report into a more comprehensive yet more targeted **Washington State Public Transportation Assessment Report**. This report should encompass a summary of *all* public transportation services – state, regional, local, and special (public and private) public transportation services.
 - (1) The report should build off information collected in other federal and statewide reports and plans—Gray Notebook, FTA National Transit Database (NTD), Transit Development Plans, Coordinated Service Plans, and Commute Trip Reduction Report. Specifically the report should draw from existing reporting that is already being done; for example, for public transit the report should draw upon FTA NTD data or existing local transit agency data.
 - (2) Refocus the report as an analytic assessment of public transportation system performance, trends, and issues.
 - (3) Streamline the report to focus on issues of statewide significance and identify common trends among public transportation providers, including state provided services.
 - (4) Remove operating indicator requirements and replace with a summary of state performance reporting as defined below. Again, specific to transit, utilize the FTA NTD performance measures which include operating expense per revenue vehicle hour/mile, operating expense per passenger mile/ trip and unlinked passenger trip per vehicle revenue mile/hour.

- (5) Change reporting date to January 1 allowing for analysis of individual TDP reports and production of a report for each legislative session.
- B. Revise RCW 35.58.2795 Public transportation systems—Six-year transit plans (TDP) legislation to align state reporting with federal reporting schedules and revise reporting requirements.
- (1) Change report date to November 1 to align with federal National Transit Database (NTD) reporting cycle.
 - (2) Use information prepared by transit agencies for NTD federal reporting purposes; target information to respond to state performance measures oriented around specific state goals (defined below).
 - (3) Change the plan focus to summarizing individual transit agency goals, objectives, and achievements; identifying current challenges and issues; and identifying projects/programs of statewide significance.
- C. Modify the MPO CTR planning process and annual employer CTR reporting to include new performance measures as appropriate (defined below) as part of a state reporting process. Consider adding private provider reporting of special public services to this annual reporting process.
- D. Enhance the federal Coordinated Human Service Transportation planning process by requiring all state agencies providing health and human transportation services to report on ridership and levels of funding dedicated to transportation services.

5. *Focus on Performance—Develop a consistent set of measures that are applied to all state, regional and local public transportation modes and integrate those into the state’s transportation reporting framework to enable policy leaders to identify public transportation trends in the broader context of the overall transportation system and goals.*

There are hundreds of measures that could be considered and used by the state for measuring public transportation system performance. There is no one set of measures that every state or agency uses; instead entities choose the measures that provide the most meaningful information and measures related to what they are trying to achieve.

It is important to distinguish between measures that are used to shape operational decision making versus measures used to inform higher-level policy and funding decisions. The state needs a set of measures tied to what the state wants to achieve as identified in its transportation policy goals. This may change over time based upon changing goals and priorities and whether the measure actually provides a meaningful assessment.

Another important aspect of using performance measures to achieve state objectives is that they should be consistently applied. For example, the state has made a significant financial investment in

– and seeks to maximize the people-carrying capacity of – the freeway system through the creation of the HOV lane system in the central Puget Sound region. As part of the management of that system the state has established performance standards to guide its operations. Yet it has not consistently applied those standards in all corridors which runs counter to the state’s goal of maximizing the efficiency of existing facilities – which encompasses not just the HOV lanes themselves but also the buses, vanpools and carpools that use them.

A significant amount of analysis, and discussion with the Public Transportation Advisory Panel, focused on cost-effectiveness measures. The discussion reviewed whether new measures should be developed and, if so, are there specific measures that would allow appropriate comparison across all modes? As previously noted, the state currently collects and reports a significant amount of data related to the performance of the state transportation system, including the public transportation elements it funds and operates (ferries, intercity passenger rail, etc.). Through the Annual Summary Report on Public Transportation it reports on several efficiency and effectiveness measures related to public transit, including operating costs per revenue vehicle mile, operating costs per passenger trip, etc.

However, the state does not report comparable cost-effectiveness measures for those elements of the public transportation system that it directly funds and operates. If the state determines that cost-effectiveness is a critically important measure for guiding future investment decisions, it should develop measures that can be applied to *all* elements of the public transportation system particularly if it intends to play a greater funding role in the future.

The state’s focus should be, as already stated in the OFM Biennial Transportation Attainment Report, on, “...not a report card on individual agencies, but a report on the state of the transportation system...” It should be based on a limited, yet meaningful, set of measures and oriented around the state’s transportation goals.

Specific recommendations are:

- A. Adopt a simple set of measures that are aligned with state transportation goals to allow for the evaluation of public transportation elements in the state.
- B. Focus on measures that allow for evaluation against multiple goals.

- C. Use the following recommended measures to support state policy decisions and to guide state investments:

Goal	Measure
Safety	Ridership (an indicator of VMT avoided resulting in fatalities avoided)
Preservation	State of good repair (TBD)
Mobility	Peak riders/capita, and % of population within ¼ mile of transit
Environmental	Ridership (an indicator of VMT avoided resulting in GHG avoided)
Stewardship	Peak ridership/capita, by mode/service type <ul style="list-style-type: none"> – Transit: Urban, small urban, rural, ADA – Ferries – Intercity rail – Intercity bus – Vanpool – Special needs
Economic Vitality	Ridership/capita

- D. Task the WSDOT Public Transportation Division to work with providers to detail definitions used by each provider and to develop an approach to measuring the state of good repair. While initially apples-to-apples comparisons may not be possible, as this information begins to be collected trends will start becoming apparent and refinements can be made over time.
- E. Expand the existing OFM Biennial Transportation Attainment Report focused on state transportation goals to include public transportation measures aligned with the state transportation goals.

IV. A Blueprint for Reporting and Decision Making

Figure 1 below outlines a Blueprint for how the state can take a more integrated approach to public transportation decision making. While an overall finding was that the state's role should not change in a fundamental way, the state does need to implement a new approach and new processes in order to develop a more comprehensive and integrated view of the transportation system as a whole. The Blueprint is designed to allow for a more comprehensive development of information and reporting designed to provide decision makers with concise information on the performance of the entire transportation system—one that includes public transportation services.

The foundation for this new approach builds upon the state's adopted transportation goals. These goals should drive policy and funding decisions that support the development of the transportation network, including the provision of public transportation services. Building upon those goals are the various services and facilities delivered by *all* providers across the state.

As noted in the recommendations above, a common set of performance measures is necessary to provide baseline information related to each public transportation provider. These measures are intended as a tool for assessing how the network of services are meeting users needs. Implementing a common set of measures that all providers report on begins to provide a common base for evaluation while, at the same time, acknowledging that not all services will perform the same nor can be measured with the same metrics (in accordance with the "one size does not fit all" principle).

Not all public transportation services are created equal. Each provider or type of service has been established to meet a specific need. State services provide basic mobility connections to meet interstate transportation needs, such as connectivity over long distances or across geographic barriers, such as water or across long distances to major destinations. Transit agencies were formed to meet local community and regional needs. Health and human service providers, rural networks, and special employer services meet the unique needs and specific concerns of local markets. The measures are not intended to compare between different providers.

Providing an initial set of common performance measures allows for a more consistent and integrated approach to providing the detailed information used as the basis for evaluation of the entire public transportation network. The state currently collects information for almost all providers and it is important to capture these annual snapshots of each service to be able to gain some information on current accomplishments, challenges, and issues.

Building upon a common set of performance measures is the development of annual snapshots of each public transportation service element. Reports are currently prepared by every public transportation provider in some way. The recommendations identified above provide guidance on how each report should be refocused on providing responses to performance measures and identify how the service is meeting state goals and current accomplishments, challenges, and issues.

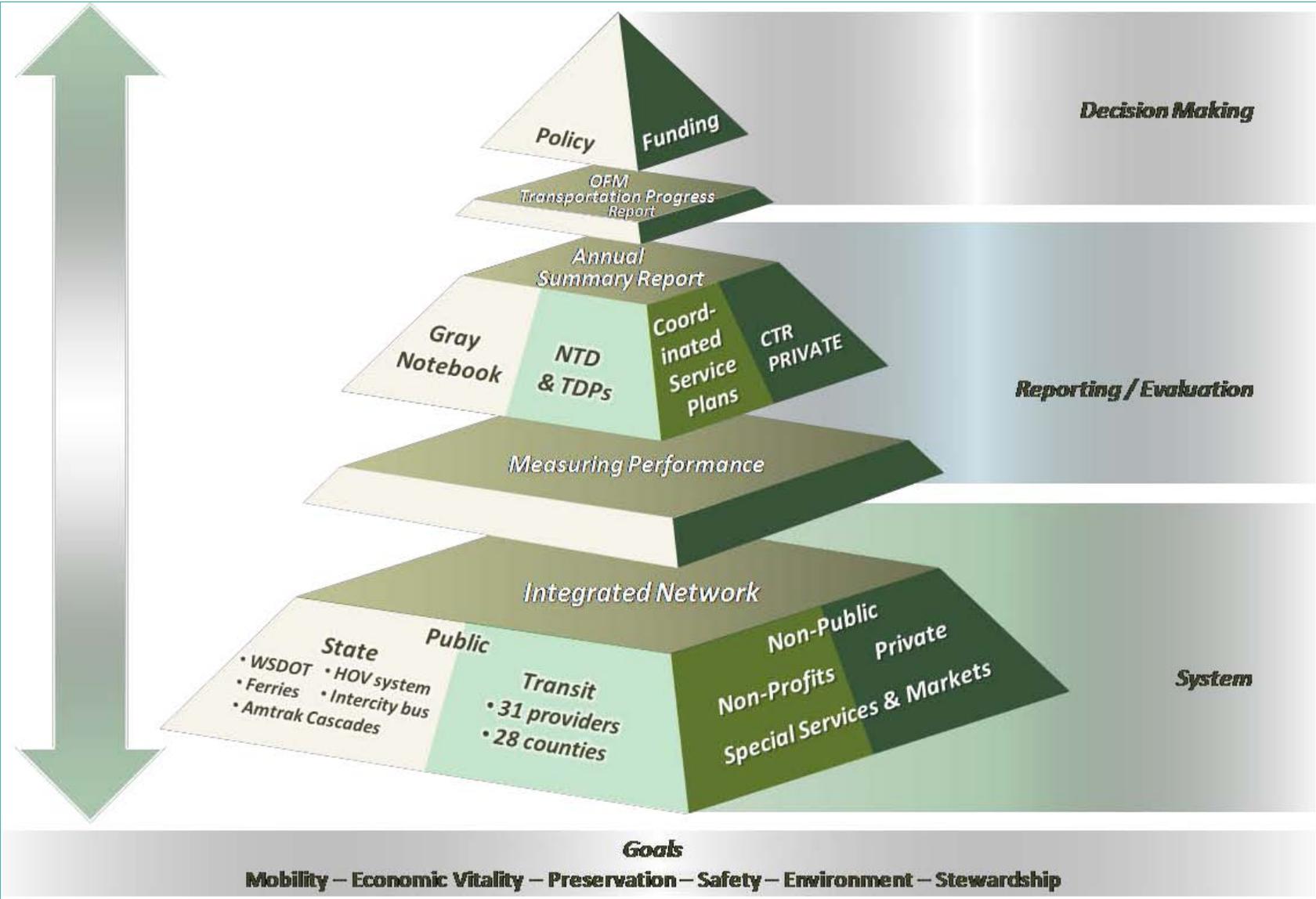
This process is designed to ensure that information about the entire state public transportation comes together and is presented in a comprehensive manner. The current approach lacks analysis of the information provided by individual providers that could identify common themes, emerging issues, and trends over time. A revised annual **Washington State Public Transportation Assessment Report** providing that type of analysis on all public transportation modes (state, regional, local, and special public and private services), will provide policy makers with more meaningful information upon which to base future decisions. This report would be a high-level overview of the state of public transportation and include information on all providers, including state services. The focus of this report will be a high-level overview and synthesis on the extent to which the system is meeting state needs and objectives. It will identify areas of concern and issues to be addressed. The primary outcome from this report will be an annual status report and, biennially, to feed into the OFM Transportation Attainment Report.

The OFM Transportation Attainment Report should continue to be used as a high-level warning mechanism for identifying key issues and steps being taken to address them. It is important that decision makers and staff have access to more robust and definitive information in each transportation area for further analysis.

Figure 1 below provides a graphic representation of the process. While the description above denotes a “bottoms up” process, the process also envisions a feedback “loop” as being equally important. This can occur in different ways. The first is upon identification of a specific area of concern through the OFM reporting process. At this point, research and feedback can happen by flowing back through the process. The second is through specific direction via policy makers through either the Executive Branch or the Legislative Branch to specific agencies or providers based upon review.

Ultimately, the intent would be that all of this information would be available to policy makers, agencies, and other service providers to consider how improvements and coordination could help refine the overall public transportation network serving Washington State.

Figure 1. Decision Making Blueprint



V. Appendices

The following appendices contain the background information provided to the Public Transportation Advisory Panel during the course of the study. This information was posted and provided to the public via the JTC website established for the study. In addition, a separate summary of the peer review surveys was written to share information with the state agencies that provided valuable insight and feedback during the process.

Appendix A—Public Transportation Advisory Panel Membership and Meeting Summaries

Appendix B—Unmet Public Transportation Capital and Operations Needs

Appendix C—Assess the Current State Role in Public Transportation

Appendix D—Identify Efficiency and Accountability Measures

Appendix E—Peer Analysis and Summary Report