

Transportation 101

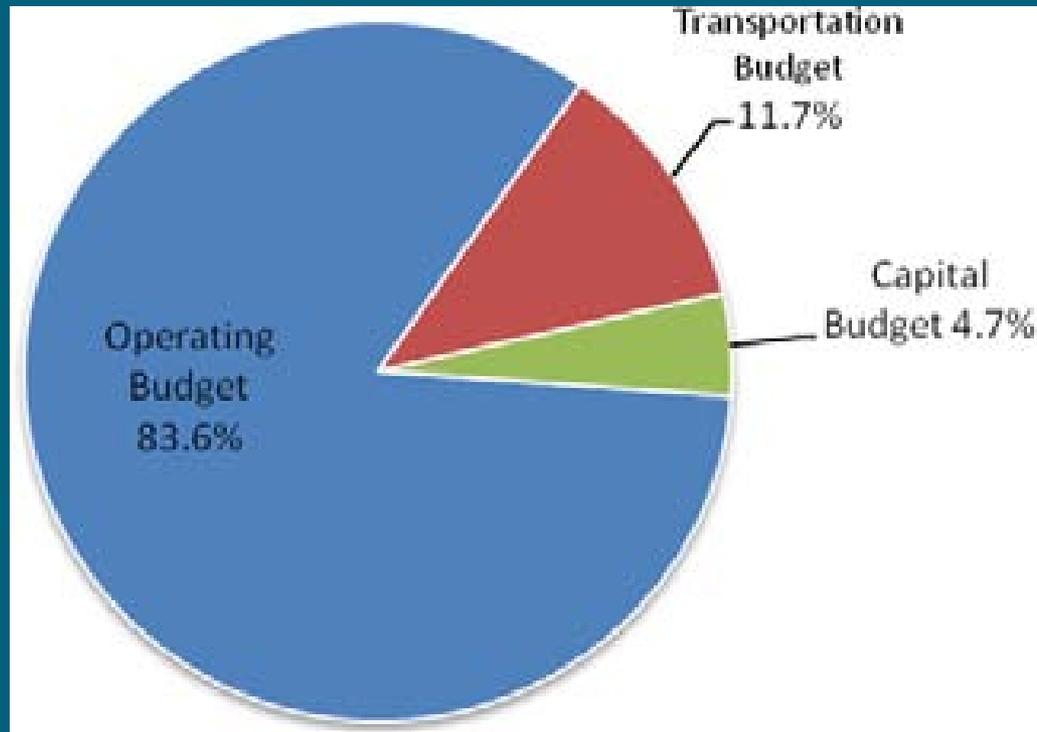
Moving People and Goods



Summer 2011



Transportation Infrastructure is Less Than 12% of the State Budget



2009-11 State Budget (\$72.6 Billion)

*The Transportation Budget includes funding for the Washington State Patrol, the Department of Licensing and other transportation agencies

Overall Transportation Funding

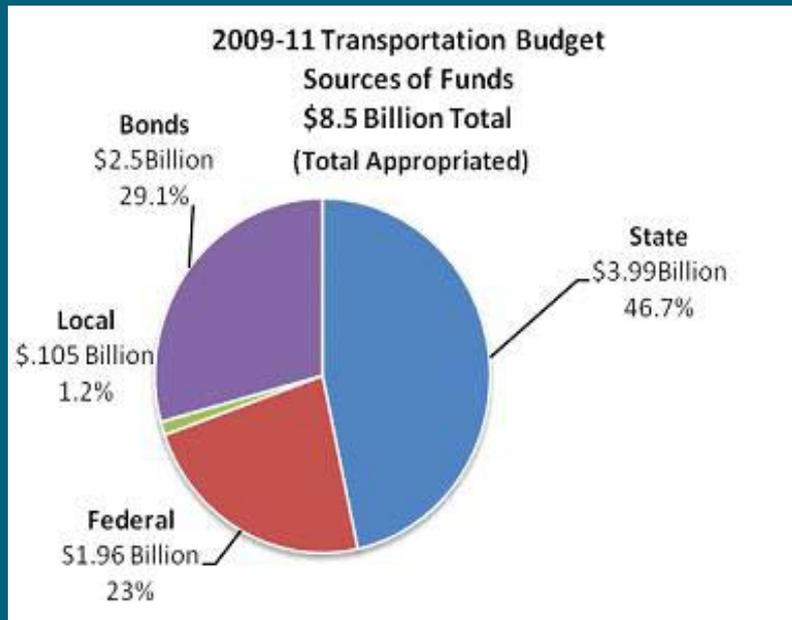
How much is invested in transportation today?

- 2009-11 Washington State Transportation Budget: \$8.6 billion for the biennium (includes nearly \$1.1 billion in federal stimulus grants)
- Annual county, city and transit investment statewide from local sources: over \$3 billion
- In 2008, Washington citizens spent over \$16 billion on gas and diesel fuel. New car sales totaled \$11 billion.



Where Does State and Federal Transportation Revenue Come From?

2009-11 State Transportation Budget (in Billions)



- Federal gas tax = 18.4¢ per gallon
- State gas tax = 37.5¢
- State car and truck weight fees
- Ferry fares pay about 65% to 70% of operating costs

* Local share is payments for contracted work

City Transportation

- Cities and towns have 16,421 miles of streets
- 70% of cities' transportation funding comes from local revenue sources, largely sales tax
- 11% of cities' transportation revenue is federal funds
- 19% of cities' transportation revenue comes from state
 - primarily 2.96¢ of state gas tax
 - grants from Transportation Improvement Board and Freight Mobility Strategic Investment Board



County Transportation

- Counties have 39,900 miles of roads in unincorporated areas
- About 62% of counties' transportation funding is locally generated, primarily from the county road share of the property tax
- 11% of counties' transportation revenue is federal funds
- About 27% of counties' transportation funding comes from state revenues
 - 4.92¢ of gas tax
 - grants and distributions from County Road Administration Board
 - grants from Transportation Improvement Board and Freight Mobility Strategic Investment Board

Transit Agencies



- 28 operating transit agencies
- Most local transit service revenue comes from:
 - Locally-approved sales tax
 - Fare box receipts
 - Federal grants
- State money mostly limited to special needs transit and CTR programs

Ports

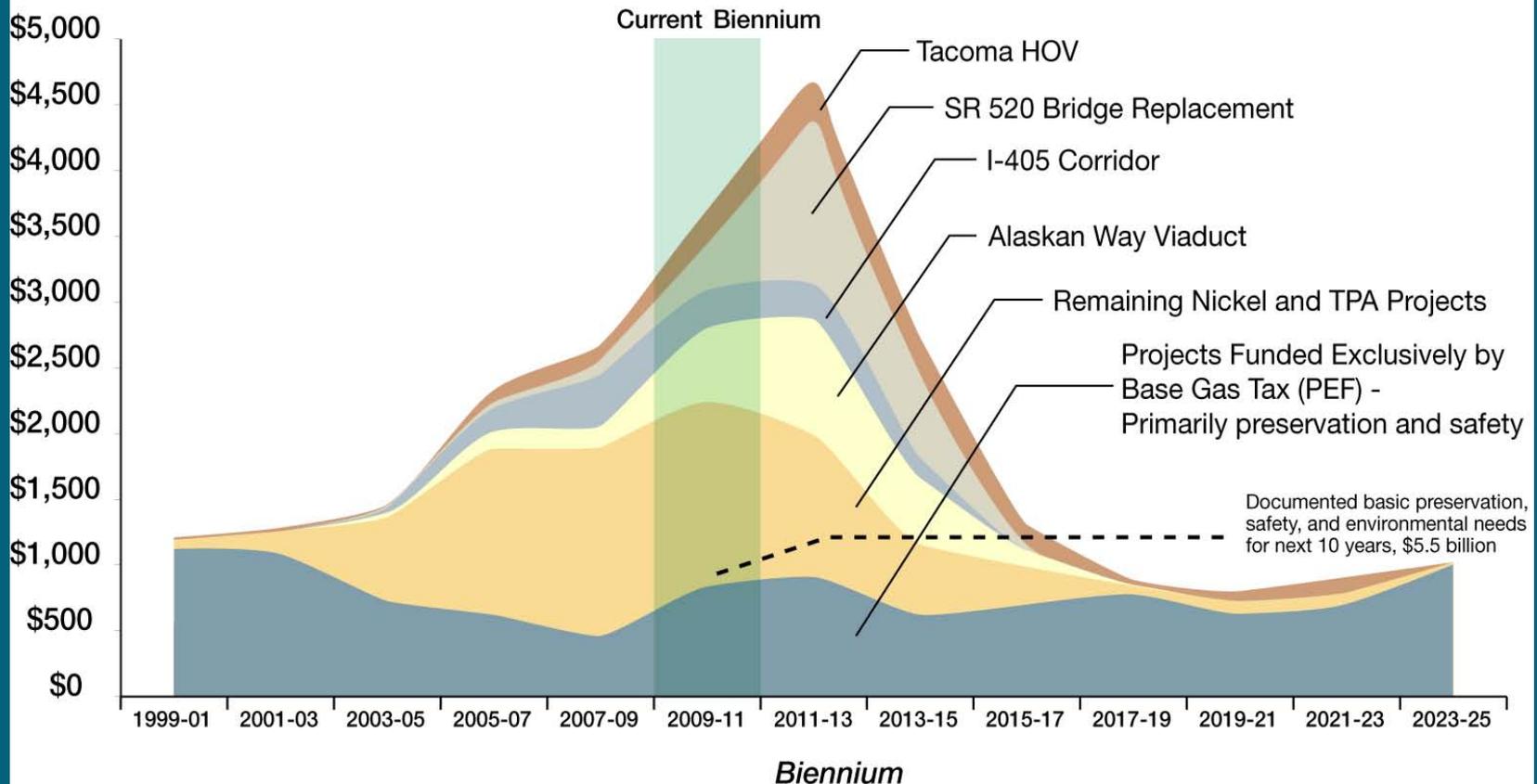
- 75 port districts in 33 of 39 counties
- Ports can engage in both transportation and economic development
 - Marine shipping
 - Airports
 - Industrial infrastructure
 - Marinas
- Port revenue comes from user fees, leases, property tax and federal grants



What does the Future Bring?

State transportation spending will peak in the 2011-13 biennium and then drop off quickly.

Dollars in Millions





Washington Transportation Plan 2030

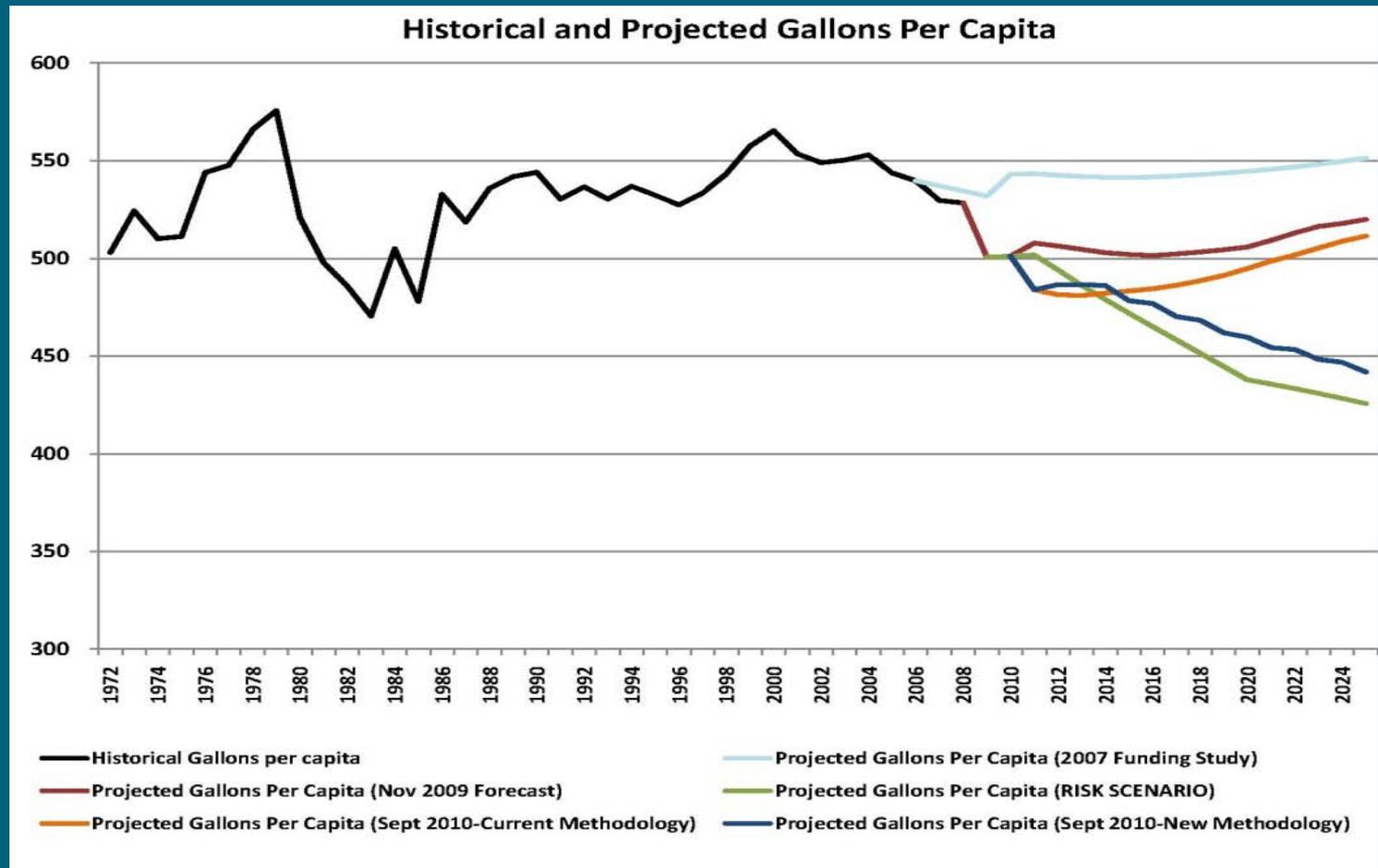
- A comprehensive and balanced statewide transportation policy plan that reflects the multi-faceted needs of Washington's transportation system
- WTP 2030 is intended to guide investment and other transportation decisions
- It reflects extensive outreach to understand and communicate transportation priorities and needs from around the state



- ❑ The state faces a backlog of critical projects and mounting needs to adequately preserve and steward key parts of the transportation system.
- ❑ By conservative estimates, at least \$175 billion to \$200 billion in funding is required to meet statewide needs over the next 20 years.
- ❑ Of that total, county need is estimated at nearly \$41 billion and city need at almost \$29 billion.

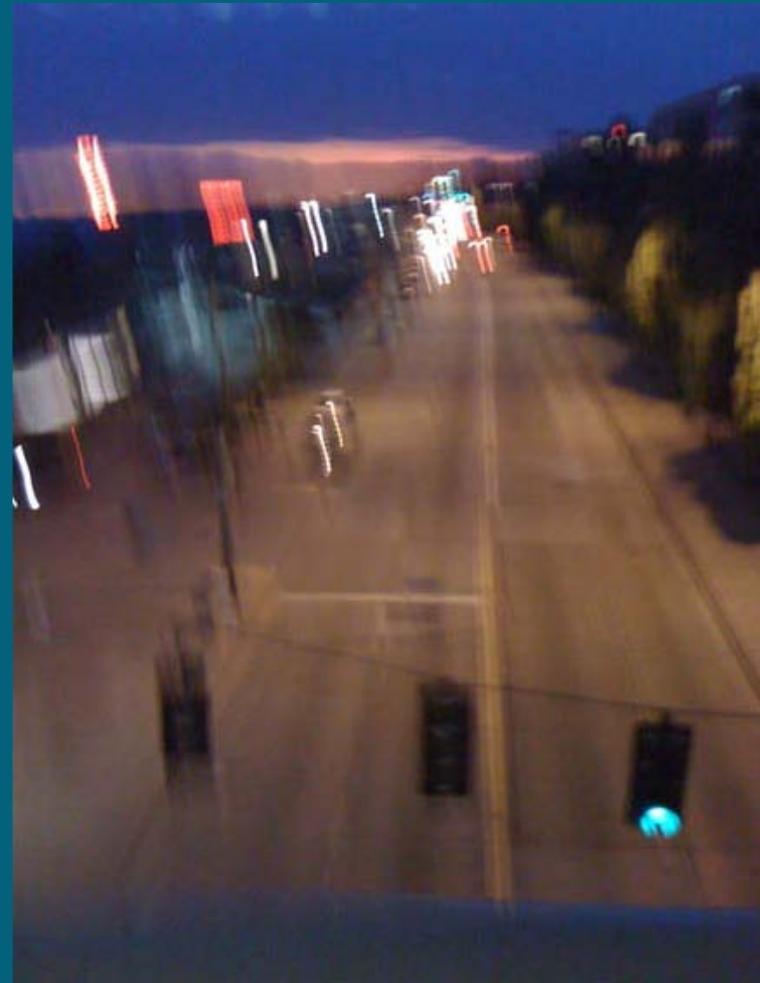


Gas Tax Revenue: An Uncertain Future



What does the Future Bring?

- ❑ Declining gas tax receipts impact the state, cities and counties.
- ❑ The economy and tax limitations, such as the property tax cap, also have reduced city and county transportation revenue.
- ❑ Transit agencies, dependent on sales tax for operations and federal funds for capital needs, have lost significant revenue in the face of higher fuel costs and increased demand for service.



Big Ideas in the Plan

- Our top priority must be to **maintain the capacity of the existing transportation system.**
- **Mobility** of people and goods is critical to our economy.



Big Ideas in the Plan

- Establishing a **stable funding mechanism** is essential to continued mobility and the economic health and quality of life that come from an integrated and connected transportation network.
- **Ensuring environmental sustainability** by reducing emissions and mitigating transportation-related impacts is important to maintaining the quality of life in our state.
- **Performance outcome measures** are essential to ensure value for dollars spent.



Goal: Economic Vitality



To promote and develop transportation systems that stimulate, support and enhance the movement of people and goods to ensure a prosperous economy

- A. Improve Washington's Economic Competitiveness**
- B. Strengthen Connectivity of People and Communities**
- C. Support the Coordinated, Connected, and Efficient Movement of Freight & Goods**
- D. Invest in the State's Aviation System**
- E. Ensure the Ability to Build and Expand Essential Public Facilities**

Goal: Preservation



To maintain, preserve and extend the life and utility of prior investments in transportation systems and services

- A. Focus on Preserving the Existing State and Local Transportation Network**
- B. Explore New Funding Strategies for Public Transportation**
- C. Invest in Preservation of Ferry Vessels and Terminal Infrastructure**

Goal: Safety



To provide for and improve the safety and security of transportation customers and the transportation system

- A. Foster Implementation of Comprehensive Safety Strategies Across All Jurisdictions and Transportation Modes**
- B. Continue to Plan and Engineer Projects for Safety**
- c. Encourage Inter-Agency Collaboration and Cooperation on Emergency Preparedness and Response**

Goal: Mobility



To improve the predictable movement of goods and people throughout Washington State

- A. Support Mobility Options to Help Communities Meet the Public's Travel Needs**
- B. Improve Connectivity to Facilitate Travel Across Modes and Communities**
- C. Strategically Prepare to Meet the Needs of an Aging Population**
- D. Support Transportation for Special Needs Populations**

Goal: Environment



To enhance Washington's quality of life through transportation investments that promote energy conservation, enhance healthy communities, and protect the environment

- A. Transportation Investments Should Support Healthy Communities**
- B. Manage The Transportation System To Foster Environmental Sustainability**
- c. Accelerate Clean Transportation Options**

Goal: Stewardship

To continuously improve the quality, effectiveness, and efficiency of the transportation system

- A. Continue to Implement Performance Measures to Ensure Accountability**
- B. Leverage Available Technologies to Maximize efficiency in the Transportation System**
- C. Support Tolling as a User-Based Funding Mechanism**
- D. Review Regulations That Require the Same Standard and performance Level for All Transportation Improvements**
- E. Strengthen the Integration Between Land Use and Transportation Decision-making**
- F. Address Tribal Transportation Needs**



WTP Funding Recommendations

The Commission endorses near-term revenue recommendations from the 2009 Joint Transportation Committee report including:

- Increase the motor vehicle fuel tax through indexing or other means
- Increase licensing and permit fee revenues
- Increase weight fees
- Adopt fees for electric and other high mileage vehicles

Some of these fee increases were introduced in the 2011 Legislature. They were not adopted.

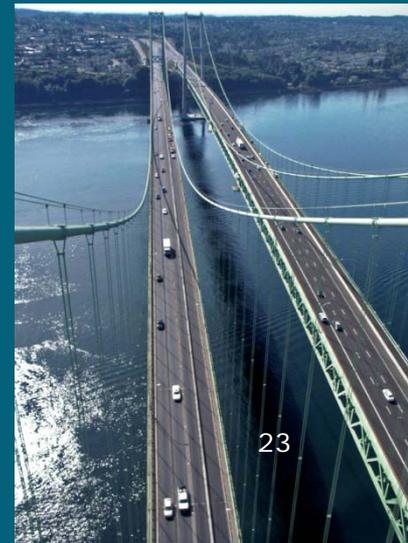


WTP Funding Recommendations

The Commission also supports **local funding options** recommended by the JTC report. Although those recommendations did not address revenue needs of transit, the Commission recommends the Legislature provide additional revenue authority for transit operations and capital.

The state also should increase the use of tolling to supplement declining gas tax revenues. Proposed future toll projects include:

- SR 99 Downtown Bored Tunnel
- I-405 Express Toll Lanes
- I-5 Columbia River Crossing



WTP Funding Recommendations

- Fund long-term ferry capital needs with a vehicle excise tax or similar source, set at a rate to eliminate the need for administrative transfers
- Increase ferry fares and other operating revenues to close the operating gap and impose ferry fuel surcharges when warranted.
- Begin work to explore the feasibility of transportation revenue system based on when, where and how far a vehicle travels.



Four Types of Tolling



- Build a project
- Manage traffic
- Build a project and manage traffic
- Manage a transportation corridor



Tolling to Build a Project



Tacoma Narrows Bridge
Project Cost: \$735 million

Toll Revenue makes bond payments and finances maintenance and operations

Toll Rates for car:

Good to Go: \$2.75

Cash: \$4.00

Transit not exempt.



Tolling to Manage Traffic

SR 167 Pilot Project.

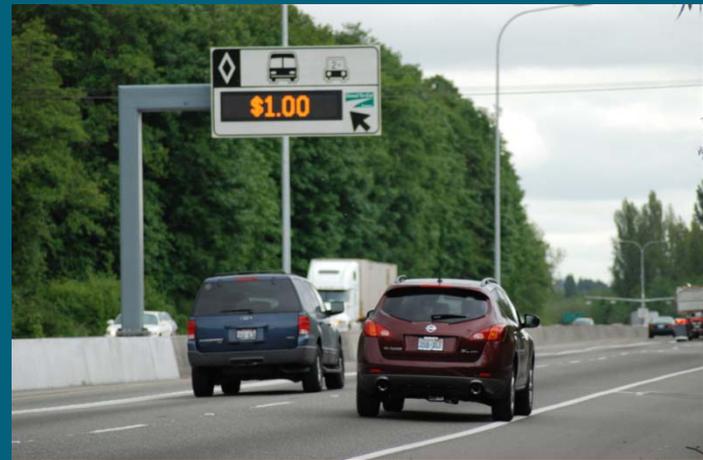
High Occupancy Toll Lanes

Dynamic Tolling.

- Rates reflect traffic in HOV and general purpose lanes.
- Speeds increased by 11% in GP lanes.

Average toll:

Less than \$1.00



Tolling to Build a Project and Manage Traffic

SR 520 Replacement/HOV

- New floating bridge
- HOV lanes from I-5 to SR 202

Project Cost: \$4.65 billion

Variable Tolls.

- Weekday peak: \$3.50/\$5
- No tolls 11p.m. – 5a.m.
- Exempt from tolls:
registered vanpools and
transit



We must work together to move the entire transportation system forward

We all must be concerned about the entire system. There is not enough money to keep what we have. And, without tolling, megaprojects will compete for the same inadequate funds as everything else.



To make sure all the needs are met, we must support the investments needed across the state.



The End. Thank you!

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