

TNB Work Group Meeting 3 – Meeting Summary

Finalized: November 27, 2017; Compiled by Carl See, WSTC

Meeting Details

- Thursday, October 26, 2017 @ Gig Harbor Civic Center, 9am-12pm

Presentation Summary

- Carl See presented three policy options based on the discussion in TNB Work Group Meeting 2, as well as follow-up on additional requests.
 - Three policy options (A-C) presented with assessment of funding needs for both the projected remaining years of tolling and for FY 2020-2023, and with the possibility of pairing the funding request with selected rate increases.
 - Provided requested information regarding historical toll rates on bridges in WA, and on cost per transaction for TNB.
- Rob Fellows presented on Toll Division operations costs for the TNB as follow-up to requested cost information during Meeting 2.

Meeting Discussion Summary

- Policy Options Discussion:
 - The Work Group was interested in maintaining a small list of policy options to demonstrate the focus on the preferred solutions.
 - Work Group prioritized policy options A & B to provide full funding for keeping rates at current level (FY 2018) (option A) as policy option 1a (\$100m) with full funding to keep debt service payments at current level (FY 2018) (option B) as option 1b (\$125m).
 - Not necessary that all funding is provided in a lump sum, but addressed that it's necessary to front-load funding in FY2020 - FY2024 to meet cash flow needs.
 - Interest from work group for identifying an annual or biennial funding amount to pitch to legislature, at least after initial front-loading of funds.
 - Interest in further development of funding and/or policy plans to support funding requests for the policy options.
 - Preference to not include a rate increase as a part of preferred policy solution.
 - The work group agreed to focus equity concerns about the TNB bridge toll rates on the debt service schedule. So, the work group sought not to pursue policy option C, which requested funding specific costs besides debt service.
 - Though not pursuing policy option C, agreement from the Work Group to include additional recommendations to the legislature or Commission regarding costs other than debt service, and potential other funding options. This includes:
 - Options for lowering projected toll payer support for repair & replacement costs, forgiveness of existing loans, and further examination of TNB vendor costs. Such options may provide for short-term or long-term toll-payer relief.
 - Consideration of additional "bridge loans" (such as approved for FY 2019) to address short-term fund balance needs.
 - Ask the Commission to continue consideration of toll rates that would further incentivize use of Good-to-Go tolls, if possible without negative impact on net revenues.

- Other Discussion:
 - Co-Chair Bruce Beckett noted that Co-Chair Shiv Batra absent for medical reasons.
 - Work Group gave approval to seek extension of project deadline from December 1, 2017 to first week in January 2018.
 - Work Group expressed opposition to Commission's potential proposal to implement additional exemptions for tolls on the Tacoma Narrows Bridge as a part of a system-wide exemption proposal.

Summary of Follow-Up for Meeting 4

- Request extension from Senate & House Transportation Committee Chairs of final report deadline from December 1, 2017 to January 5, 2018.
- Develop final draft policy options for work group consideration and prioritization.
- Update scenario model and outputs with November 2017 Transportation Revenue Forecast tolling data.
- Prep draft final report document.
- Communicate Work Group's opposition to potential Commission proposal to implement additional toll exemptions on the TNB.
- Rep. Caldier is scheduled to meet with WSDOT Toll Division staff to discuss the TNB tollbooth contract and costs.