

# WASHINGTON STATE TRANSPORTATION COMMISSION

## Meeting Summary October 18 & 19, 2011

The regular meeting of the Washington State Transportation Commission was called to order at 9:00 a.m., on Tuesday, October 18, 2011, in Room 1D2 of the Transportation Building in Olympia, Washington.

### **MINUTES APPROVAL/ADOPTION**

Commissioner Haley moved approval of the meeting summary from the September 20, 2011, Clarkston Meeting. Commissioner Cowan seconded the motion and the summary was approved.

Commissioner Parker moved approval of the meeting summary from the September 14, 2011, joint meeting with the California Transportation Commission. Commissioner Haley seconded the motion and the summary was approved.

**Action/Follow-up:** Commissioner Haley asked that staff follow-up on some topics raised in Clarkston:

- City and County levy lid-lifts and county road levy diversion;
- Ability of small cities and counties to develop “shovel-ready projects”;
- Technical assistance from Transportation Improvement Board;
- WSDOT communication with Palouse communities and businesses regarding Palouse and Coulee City RR.

### **COLUMBIA RIVER CROSSING (CRC) PROJECT UPDATE**

Nancy Boyd, Director, Columbia River Crossing Project, briefed the commission on the need for the Columbia River Crossing, a \$3.1 billion to \$3.5 billion bridge, highway and light-rail project on Interstate 5. Over the next 20 years, without the project, the high-peak traffic period will expand resulting in a more frequent number of crashes and congestion expanding to about 15 hours. With that increased congestion, the number of crashes is expected to increase from 400 per year to 750 in 2030.

According to a CRC traffic technical report; there are six hours of congestion daily on the existing I-5 bridge. With the new crossing in place, the report estimates congestion to drop to as low as 3.5 hours per day.

A percentage of that traffic is freight; 130,000 jobs are dependent on trade in the Portland/Vancouver metropolitan area. There is \$40 billion worth of freight crossing I-5 each year; and \$71 billion in freight is expected to cross the bridge by 2030.

Some commissioners expressed concerns about the project, especially traffic issues on each side of the bridge, rather than the bridge itself. Freeway traffic can still jam up as southbound traffic reaches downtown Portland; a motorist may question the value in paying a toll to get across the bridge only to stop in traffic once the bridge is behind them.

Commissioners also recognized the uncertain seismic stability of the current bridge. The bridges were built in 1917 and 1958 and don't meet current seismic safety standards. The bridges' foundations are on wooden pilings that do not reach solid rock.

Funding is expected to be split into thirds from federal, state and local levels. Estimates call for \$450 million from each state, \$800 million to \$1.1 billion in toll revenue, and \$850 million from the federal government, Boyd said. While funding from the Federal Highway Administration remains uncertain, she anticipates the project will receive sufficient federal funds.

The details of how tolls would be managed between the two states will be worked out over the next year. That includes the option of pre-completion tolling, which could generate as much as \$200 million by tolling the existing bridge.

A record of decision is expected on the Final Environmental Impact Statement in December, which will allow the project to continue on its timeline to complete design, begin property acquisition in 2012 and break ground in 2013.

**Action/Follow-up:** Additional briefing and CRC Site Tour in November. There will be future discussion of CRC tolling.

[CRC Project Update](#)

## **WASHINGTON STATE FERRIES (WSF) UPDATE**

David Moseley, Assistant Secretary, Ferries Division, briefed the Commission on WSF Operations and the WSF Marketing program. He told the Commission that the *Chetzemoka* will be serving the Pt. Defiance-Tahlequah route. It left the Port Townsend-Coupeville route on Oct. 11, and Washington State Ferries' second 64-car vessel, *Salish*, remains, in a return to one-boat service for the winter. The *Kennewick* will join the *Salish* on the Admiralty Inlet crossing, which provides WSF captains and crews their greatest challenge: high winds, fast currents, commercial shipping lanes and tight, shallow Keystone Harbor.

The WSF Marketing program is designed to

- raise the profile of WSF programs and services;
- promote off-peak travel; and
- support ferry communities with destination marketing.

As part of the marketing effort, WSF has redesigned its webpage, added social media, and launched FerryGear.com to sell ferry-branded merchandise. The web page now shows which ferry runs are most and least congested

Mr. Moseley also updated the Commission on WSF fuel hedging, which is part of a four-prong fuel cost mitigation strategy, including improved budgeting, fuel savings, and ability to implement a fuel surcharge. To date, fuel prices are below the legislatively set FY 12 fuel budget. WSF has hedged over 6 million gallons for FY 12 and nearly 2 million gallons for FY 13, at a savings to date compared to the fuel budget of \$2.1 million.

[Marketing Program](#)  
[Fuel Hedging Update](#)

**Action/Follow-up: None.**

## **SECRETARY'S REPORT**

Steve Reinmuth, WSDOT Chief of Staff, reported on behalf of Secretary Hammond. He shared that Secretary Hammond was recently appointed as Chair of AASHTO's Subcommittee on Highways. He provided a status update on testing of the SR 520 ETC readers. He also shared news about two WSDOT employee's roadside rescue of a little girl's teddy bear that gathered national media attention.

## **JOINT TRANSPORTATION COMMITTEE (JTC) FERRY FARE MEDIA STUDY**

Kathy Scanlan, Cedar River Group and Heather Rogers, Berk and Associates, gave an update on the Fare Media Study they are conducting at the direction of the Joint Transportation Committee.

The customer is the focus of the study, which encompasses:

- the products accepted for payment;
- the interoperability of fare media; and
- fare structure.

One significant finding is that Washington State Ferries has gained customers, but lost riders. The number of trips has fallen from a peak of 26.8 million in 1999 to 22.6 million last year, a 16 percent decrease. But more people are making those trips. The agency had 297,000 unique customers in 2008, an increase of up to 22 percent from 2000. Their conclusion is that frequent users aren't riding as often. Rides per customer have dropped an estimated 20 percent.

The trend is important because WSF is designing a new reservation system and wants a simpler fare structure to go with it. It also must handle time-of-day pricing and mesh with other transit payment systems.

Ms. Scanlan said she was "somewhat surprised" that the number of customers has increased. There are reasons, however, that ridership — particularly frequent users — declined. WSF lost 20 percent of its operating budget when license fees were cut in 2000. It responded by raising fares all but one year since then, including a 20 percent increase the first year, in 2001. It also reduced winter hours and eliminated passenger-only ferry service. The new Tacoma Narrows Bridge also has attracted riders.

Frequent users were hit even harder. The discount for multi-ride cards and monthly passes is now only 20 percent, down from 40 percent previously. WSF stopped giving refunds on unused portions of multi-ride cards and limited monthly passes to 31 rides. People stopped buying frequent-user tickets and became less-frequent riders.

From 2000 to 2010, the percentage of non-frequent riders increased from 54 percent to 61 percent for vehicles and from 55 percent to 67 percent for passengers. Because fewer riders were using discounted fares, WSF earned more per rider.

Routes used primarily by commuters took the biggest hits. Bainbridge-Seattle lost 32 percent of its ridership from 2000 to 2010, followed by Fauntleroy-Southworth-Vashon (17 percent), Seattle-Bremerton (16 percent) and Edmonds-Kingston (13 percent).

Despite the large drop in ridership, fare revenue has increased from \$92 million in 1999 to \$147 million in 2010 because of the fare increases. Even so, WSF's cost recovery hasn't improved significantly because expenses have increased even more, especially fuel.

Farebox recovery, the percentage of operating costs covered by fares, dipped to 60 percent when the state was using license tab revenues to subsidize the ferries from 1987 to 2000. Now it's back up to about 70 percent. Fares covered all operating expenses from 1952 until 1976, when WSF got its first state subsidy.

Currently, there are three fare media: the electronic fare system (*Wave2Go*), the ORCA (One Regional Card for All) Card and commercial accounts. In addition, WSDOT toll roads and bridges use *Good to Go!* Fare computation is complex, as exemplified by 72 fare types, 9 ticket types and 15 passenger types.

The next steps include a customer survey, coordinated with the Commission's FROG survey, and two Policy Workgroup meetings in November.

[Policy Workgroup  
Draft Situation Assessment](#)

**Action/Follow-up:** None.

### **GOVERNOR'S CONNECTING WASHINGTON TASK FORCE**

Teresa Berntsen, Governor's Office, briefed the Commission on the progress of the Connecting Washington Task Force. The Task Force is charged with developing a financially sustainable 10-year funding strategy for the state's transportation system and presenting it to the 2012 Legislature. It also is tasked with presenting the facts about transportation funding – and the risks of inaction -- to the Legislature and the public. The strategies will include principles for investments and revenues, recommended categories of investment, and priorities for those categories. It will not develop a project list.

Connecting Washington is eager to get the results of the statewide transportation survey to learn Washington State citizen's preferences and opinions about the transportation system, their priorities for today and the future, and their thoughts about transportation funding.

Commissioner Ford is a member of the Task Force.

[Connecting Washington  
Fact Sheet](#)

**Action/Follow-up:** None.

### **SEPTEMBER TRANSPORTATION REVENUE FORECAST**

Doug Vaughn, Director, Budget & Financial Analysis, and Lizbeth Martin-Mahar, Assistant Director, Economic Analysis, Budget & Financial Analysis, WSDOT, briefed the Commission on the latest revenue forecast. Key economic variables are weaker since the June forecast, resulting in a revenue forecast slightly lower than June, but higher than March. The 10-year revenue outlook is down \$140 million, not including expected toll revenue from SR 520.

The new federal fuel efficiency standards are not yet incorporated into the forecast; since they apply to model years 2017-2025, they should impact only the long-term revenue forecast.

### [September Revenue Forecast](#)

**Action/Follow-up:** Commissioners asked to see comparisons of past forecasted fuel prices and revenue with actual fuel prices and revenue from that same time period.

## **2012 LEGISLATIVE SESSION – WSDOT BUDGET AND LEGISLATION**

Dillon Auyoung, Director, Governmental Relations, WSDOT, briefed the Commission on legislation the Department plans to introduce in 2012 to allow it to collect an administrative fee for managing transit grants. Robin Rettew provided an overview of the Department's supplemental budget request, which totals \$2.3 million less than the current budget. WSDOT also seeks 15.7 additional FTEs to maintain ferry service levels.

**Action/Follow-up:** None.

## **SR 99 PROJECT UPDATE**

Linea Laird, Director, Design Build, Alaskan Way Viaduct Replacement project, provided the Commission an update on the SR 99 Project. WSDOT is preparing to close the viaduct for nine days, the longest ever closure of a Seattle area highway. WSDOT is publicizing the closure widely and encouraging people to use public transit.

"It's a big deal when you're trying to build something in the middle of an urban area - they're very difficult," Ms. Laird said.

During the viaduct closure, about 200 yards of the southern portion of the viaduct will be removed and a new traffic routing will be established. The design-build contractor for the deep bore tunnel, Seattle Tunnel Partners, will start working in the area in November. They are gearing up to start utility relocation, and working on the south and north tunnel portals.

WSDOT has signed an agreement with Japan's Hitachi Zosen Corp. to supply the machine that will dig the deep-bore tunnel. Construction and delivery of the tunnel-boring machine will take 14-months, so tunnel boring won't begin until mid-2013.

WSDOT will seek tolling authority from the state Legislature this session but does not intend to sell bonds until 2014, with tunnel tolling starting when the tunnel opens at the end of 2015.

### [SR 99 Project Update](#)

**Action/Follow-up:** None.

## **FEDERAL UPDATE**

Alison Dane Camden, Federal Relations Manager, WSDOT, briefed the Commission on the prospects for an agreement in Washington, D.C. on the transportation budget and reauthorization of federal transportation policy, to replace SAFETEA-LU which has expired but been extended. The

federal gas tax has brought in less revenue than budgeted for several years. Although there is growing agreement about the need for a transportation budget, the House and Senate remain far apart on how much and how to raise additional revenue.

**Action/Follow-up:** Commissioners asked that the staff move quickly on the letter to Congress from the three West Coast Commissions.

### **TRANSPORTATION COMMISSION BUSINESS**

Commission staff proposed a meeting calendar for 2012, including meetings in Mt. Vernon, Pasco, Seattle, East Wenatchee and Tacoma. After discussion, the Commission approved the proposed calendar, adding an additional meeting day in Olympia, following the November Tacoma meeting.

Commission staff also reviewed the schedule and status of the 2011 Annual Report. Cheri Huber, Huber Design, has agreed to do the layout and design again. Commissioners suggested several topical and editorial changes and asked that the Draft be sent electronically for further review and input.

The Executive Director suggested the Commission consider the possibility of a retreat to prepare for the upcoming legislative session. The Commission agreed that was a good idea and, following much discussion, chose December 1 & 2 as dates for the retreat.

**Action/Follow-up:** The Executive Director will hire a facilitator and set a meeting place for the Retreat. Staff will continue to work on the Annual Report, aiming to have the Commission approve final content at its December meeting.

### **GRAY NOTEBOOK (GNB) QUARTERLY REPORT**

Laura Cameron, GNB Production Manager, WSDOT, led a presentation of highlights from Gray Notebook 42, including progress on lower highway fatalities, changes in defining bridge structural condition, increased ridership on Amtrak Cascades and time saving through programmatic environmental permits.

John Sibold, Acting Director, Rail Program, WSDOT, briefed the Commission on some of the staff changes underway to improve freight rail operations, including communications with communities and businesses using the PCC Railroad.

#### [Gray Notebook Quarterly Report](#)

**Action/Follow-up:** The Commission will receive an update on the 2011 Congestion Report at a future meeting

### **PUBLIC COMMENT**

Paul Locke shared that there should be a system where we have project money and not borrow it. Borrowing money and debt is not the way to go. Costs need to be brought down and the big thing is not having to borrow money to complete a project.

# TRANSPORTATION COMMISSION

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ATTEST:

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REEMA GRIFFITH, Executive Director

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DATE OF APPROVAL