

SPECIAL MEETING MINUTES WASHINGTON STATE TRANSPORTATION COMMISSION

September 20, 2010

CHAIRMAN WELCOME AND COMMISSION INTRODUCTIONS

Chair Moser called the meeting to order and introduced Commission staff and welcomed guests.

FERRY FARE PROPOSAL

Commissioner Moser opened the meeting explaining that following the issuance of reports on ferry management by the State Auditor and the Passenger Vehicle Association, the Commission is prepared to consider tariff proposals. She welcomed Mr. Ray Deardorf, Planning Director for Washington State Ferries, who provided an overview of the tariff setting process.

Ray Deardorf, Finance & Planning Director, Ferries Division, WSDOT, explained that in order for a fare increase effective January 1, 2011, the Commission must file the CR-102 by October 6 and a final tariff must be filed by November 30, 2010.

WSDOT proposal:

- Implement a 2.5% general fare increase on January 1, 2011.
- Raise San Juan interisland fares an additional 2%, completing implementation of Tariff Route Equity.
- Clarify that eligibility for the school group discount applies only to K-12 school groups.
- Eliminate San Juan Islands day-of-week pricing and the passenger peak season surcharge.

The Ferry Advisory Committee – Tariff (FAC-T) Group endorsed the entire proposal, with the exception of the proposed elimination of San Juan Islands day-of-week pricing. The San Juan member of the FAC-T and Commissioner Distler recommended rolling back all of the San Juan Islands' day-of-week changes.

WSF revenue now is about \$1 million less than projected in the February Transportation Revenue Forecast. The proposed 2.5% tariff increase is not expected to raise enough money to meet the revenue target in the transportation budget, based on the September 2010 forecast. A 3.37% increase, along with identified cost reductions, would meet the revenue target. Without the cost reductions, the necessary increase would be about 4.1%.

It was moved by Commissioner Ford and seconded by Commissioner Forner to file the WSDOT Tariff Proposal CR-102 as presented.

It was moved by Commissioner Distler and seconded by Commissioner Forner to amend the motion by increasing the amount of the across-the-board tariff increase to 3.0%. Motion failed.

The Commission then, by a 3-2 vote, took action on Commissioner Ford's motion and directed that the WSDOT Tariff Proposal be filed and scheduled for public hearings.

The Commission then discussed the need to consider a fuel surcharge proposal during the 2011 calendar year.

http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/September20/documents/20100920_BP1_WSF2010TariffProposal.pdf

http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/September20/documents/20100920_BP1_DraftFerryFareTables.pdf

Action/Follow-up:

- (1) Schedule meeting dates/locations for public input, a public hearing and Commission Adoption.
- (2) Identify a schedule for consideration of a fuel surcharge during 2011.

TOLLING FEE RECOMMENDATIONS FOR EXISTING TOLL FACILITIES AND PHOTO TOLL RATES

Craig Stone, Director, Toll Division, WSDOT, led a briefing on fee-setting for tolling activities, including photo tolling. He explained that generally fees are set system-wide, and not for individual toll facilities. Total fees must not exceed total cost of toll collection.

WSDOT fee proposal covers:

- Printing documents and statements
- Late payments
- Closing an account inactive for two years
- Pre-paid license plate tolls
- Transit/vanpool application

Two fees are set in statute:

- NSF charges
- Collection charges

WSDOT also is proposing a \$.50 per transaction credit for customer-initiated payments.

WSDOT Proposed Tolling Fees:

- Paper statement fee(non-commercial) \$1.50 per statement
- Paper statement fee (commercial) \$.50 per page, \$1.50 minimum)
- Reprinting fee \$1.50 per item

(The Commission suggested as an alternative a \$.50 per page and \$1.50 minimum.)

- Late Payment Fee \$5.00 per bill
- Inactive Account Fee \$5.00 one-time charge
- Transit/vanpool application fee \$20 per yr

Options for photo toll fees:

- No fee
- \$.25 per photo-toll transaction (WSDOT recommendation)
- \$1 per month of photo-toll use
- \$7.50 per month for frequent users (10 or more trips/month)

The cost of credit card transaction fees is absorbed within toll costs.

Pay-by-mail cost/loss calculations are very uncertain, but the average cost is estimated to be \$1.63. WSDOT recommends round down to \$1.50.

The Commission also discussed whether to include the proposed Allowable Costs WAC as part of the fee-setting WAC.

It was moved by Commissioner O'Neal and seconded by Commissioner Parker that the two WACs be moved forward together in one rulemaking. The motion was adopted by a 4-2 vote.

Action/Follow-up: Schedule meeting dates/locations for public input, a public hearing and Commission Adoption.

SR 520 RATE-SETTING SCHEDULE REVIEW

Mr. Craig Stone outlined three schedule options for SR 520 Toll Setting. Tolls are scheduled to take effect on March 19, 2010.

It was moved by Commissioner Distler and seconded by Commissioner O'Neal to adopt WSDOT schedule Option 2, which would require the Commission to propose a Rule by November 16, 2010 and adopt a Rule on January 6, 2011, with an effective date of February 5, 2011. This Option avoids calling a special meeting to propose the Rule and includes some ability to move more slowly if necessary.

After discussion by the Commission, Commissioner Distler modified his motion to enable the Commission to file the CR-102 on November 15, 2010. He proposed a Commission work session on SR 520 tolling on November 9, 2010 in Seattle, Public Input sessions on December 6 and 7, 2010 and a Public Hearing on January 5, 2011 in Bellevue.

It was moved by Commissioner O'Neal and seconded by Commissioner Moser to amend to have final adoption on January 18, 2011. The motion failed.

After further discussion, Commissioner Distler agreed to friendly amendments to his motion, with the following schedule proposed:

- November 8, 2010, Commission Work Session
- November 16, 2010, File CR-102 with Official SR 520 Toll Rate Proposal
- December 6, 2010, SR 520 Public Input Meeting (Seattle)
- December 7, 2010, SR 520 Public Input Meeting (Bellevue)
- January 5, 2011, Final Public Hearing and Commission Action

After discussion and minor adjustment to the new WAC language it was moved by Commissioner O'Neal and seconded by Commissioner Parker to approve the new WAC section to be filed October. The motion was adopted by a 4 to 2 vote.

Presentation for Agenda Items 2, 3 & 4:

http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2010/September20/documents/20100920_BP2_Tolling.pdf

Action/Follow-up: Schedule meeting dates/locations for public input, a public hearing and Commission Adoption.

This meeting has been recorded. If you would like additional meeting details audio is available at TVW <http://www.tvw.org/media/mediaplayer.cfm?EvId=2010091006&bhcp=1> . Please contact the Transportation Commission Office if you would like to request an Audio Cd for a nominal fee at (360)705-7070.

WASHINGTON STATE TRANSPORTATION COMMISSION

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REEMA GRIFFITH, Executive Director

DATE OF APPROVAL