

**MINUTES OF THE REGULAR MEETING OF THE
WASHINGTON STATE TRANSPORTATION COMMISSION
March 16 & 17, 2010**

The regular meeting of the Washington State Transportation Commission was called to order at 9:00 A.M., on March 16, 2010, in Room 1D2 of the Transportation Building in Olympia, Washington.

Commissioners present at the meeting were: Chair Carol Moser, Bob Distler, Dick Ford, Elmira Forner, Latisha Hill, Dan O’Neal and Philip Parker.

Chair Moser opened the meeting introducing the Commission’s February 16 & 17, 2010 meeting minute’s summary for approval.

MINUTES SUMMARY ADOPTION

It was moved by Commissioner O’Neal and seconded by Commissioner Ford to adopt the February 16 & 17, 2010 meeting minute’s summary. The motion passed unanimously.

WASHINGTON TRANSPORTATION PLAN

Bonnie Berk, Principal, Berk and Associates, and staff Allegra Calder and Fauna Doyle provided an update of the WTP status and upcoming activities. Commissioners suggested more outreach efforts, especially in the populated areas of the state.

Reema Griffith, Executive Director, Transportation Commission explained that the basis for the foundational theme moves away from modal priorities and emphasizes the most effective and cost-effective way to move people and goods. There is a need to better identify and clarify what “cost-benefit analysis” means and how it unfolds.

Land use/GMA is another foundational issue that should be included. Need to have adequate funding, planning and implementation.

The existing policy goals in statute may need revision; Commission is open to proposing changes to reflect/implement the new vision.

- Preservation policy should expand to include ongoing and prior investment.
- Safety policy should acknowledge the high-quality, data-driven Target Zero work of the Traffic Safety Commission.
- Economic vitality policy should reflect local values and priorities.
- Mobility means something different depending on where you live. Need to acknowledge congestion, connectivity. Are there ways to build differently for freight and people?
- Environment and health – No overarching direction or theme emerged.
- Stewardship is not a lot different from preservation; it’s really about optimizing the use of the system and measuring performance.

Action/Follow-Up Items: None

RAILEX UPDATE

Tom Shurstad, President, Railex, shared that Railex operates the first-ever perishable unit train. It began with a Wallula, Washington to Albany, New York round-trip. The newest route is Delano, California to Albany; two trains are now running from each location.

One railcar equals four truckloads. Railex markets its refrigerated warehouses, security and inventory control along with its delivery speed. Delivery time now averages 4.04 days from Wallula to Albany. Nevertheless, Railex has a fixed rate contract with the railroads; and trucking rates are so low that Railex is losing \$1 million a month right now.

Railex is looking at Florida, Atlanta, Georgia, Ft. Worth, Texas and Memphis, Tennessee locations for expansion to the Southeast. The railroad market and environment would benefit from keeping trucks non-compliant with California air standards from entering the Washington market.

The Commission asked that Railex identify the issues they face, including a comparison of delivery time and produce quality with trucks.

Please click on this link to view the presentation:

http://wstc.wa.gov/AgendasMinutes/agendas/2010/Mar16/20100316_BP03_RailExWebinarPres.pdf

Action/Follow-Up Items: None

IDENTIFICATION OF LONG-TERM STATE AND LOCAL TRANSPORTATION NEEDS: PRESERVATION

Jay Alexander, Director, Capital Program Development and Management Office, WSDOT, explained that WSDOT views preservation as something that is programmable; maintenance is what you address as it occurs. WSDOT aims to have all asphalt and chip seal in 100% good condition; concrete is still usable in poor condition. Sixty-three percent of the state road miles are asphalt and 24% are chip seal; only 13% of the system is concrete. WSDOT uses a lowest life-cycle approach to preserve of the road system.

Tom Baker, State Materials Engineer, WSDOT, explained that once asphalt pavement has passed its life cycle, it can't get much worse. WSDOT aims to avoid replacement of pavement structure and put the stress on the overlay. New technology extends pavement life and reduces life cycle costs. Asphalt pavement is recycled.

Mr. Alexander noted that although 97% of bridges are in good/fair condition, the busiest bridge-building years were between 1957 and 1972. Functional obsolescence is more of a mobility issue.

Ray Deardorf, Finance Planning Director, WSF explained that preservation is a component of the Long-Range Plan. Preservation is defined as keeping an existing facility functional.

- Vessels = \$3.2 billion needed for preservation/acquisition over 22 years.

Terminals = \$1 billion needed over 22 years. And, another 8 vessels needed during 2030-2040.

The Commission took note that WSF preservation need equates to \$4 billion in 22 years, or \$.5 million a day.

Please click on this link to view the presentation:

http://wstc.wa.gov/AgendasMinutes/agendas/2010/Mar16/20100316_BP04_StatePanelPreservOverview.pdf

Gary Rowe, Managing Director, Washington State Association of County Engineers, emphasized that there are many ways to analyze the county roads system and estimate needs.

- Annual maintenance need = \$650 million. Of that, about half is arterial and half are access roads.
- Based on a 4% annual replacement cycle, the annual preservation need is \$1 billion. Arterials account for 44% of the preservation need.
- Twenty percent of bridges are structurally or functionally obsolete. Annual maintenance need for bridges is about \$4 million; for preservation about \$189 million.
- Total gap for maintenance and preservation is about \$728 million annually.

Please click on this link to view the presentation:

http://wstc.wa.gov/AgendasMinutes/agendas/2010/Mar16/20100316_BP04_CountyRdPresNeedsCosts.pdf

Dave Catterson, Legislative and Policy Analyst, Association of Washington Cities, shared that local funds pay for local streets; those local funds compete with police, fire and parks for attention. In 2008, cities invested \$1.2 billion on transportation; about \$220 million for maintenance. City street miles have increased by 41% since 1990.

In 2006, 17% of city system was rated poor to failing; that increased to 21% in 2008. The average arterial rating was 67% (good/fair).

Things are getting worse instead of better (for maintenance and preservation).

Please click on this link to view the presentation:

http://wstc.wa.gov/AgendasMinutes/agendas/2010/Mar16/20100316_BP04_CityPres_DaveC.pdf

Action/Follow-Up Items: Consider the data in these presentations for inclusion in the WTP.

WASHINGTON STATE FERRIES MARKETING PLAN

Marta Coursey, Director of Communications, WSF, explained that a \$1.1 million appropriation directed WSF to develop a marketing program to increase ridership, generate more revenue and reduce pressure to increase fares. Following a Strengths-

Weaknesses-Opportunities-Threats (SWOT) analysis, WSF developed a three-phase marketing plan:

- Phase I:** Develop a coordinated marketing campaign, improved traveler information, promotions and packages, conduct audit of customer service communications.
- Phase II:** Build demand.
- Phase III:** Build ridership.

Commissioners expressed hope that the marketing effort will focus on unused capacity, as well as developing key partnerships with communities and businesses.

Please click on this link to view the presentation:

http://wstc.wa.gov/AgendasMinutes/agendas/2010/Mar16/20100316_BP05_WSFMarketing.pdf

Action/Follow-Up Items: None

STATE AND FEDERAL LEGISLATIVE UPDATE

Dillion Auyoung, Director, Government Relations, WSDOT, shared that major legislation addressing ferry workers and tolling projects is awaiting the Governor's signature. Minor bills allowing greater road access for electric vehicles and golf carts reflect increased constituent demand for alternatives to gas-powered vehicles.

Congress is likely to continue SAFETEA-LU until December.

Please click on this link to view the presentation:

http://wstc.wa.gov/AgendasMinutes/agendas/2010/Mar16/20100316_BP06_CommissionLegUpdateDillon.pdf

Action/Follow-Up Items: None

FEBRUARY TRANSPORTATION REVENUE FORECAST

Lizbeth Martin-Maher, Assistant Director, Economic Analysis, Budget & Financial Analysis, Strategic Planning & Finance Division, WSDOT shared that the near-term revenue forecast is lower than forecast in November and March. Over the 16-year period, the revenue forecast is up, very slightly.

Commissioners noted that apart from major revisions to the fuel price forecast, there were no significant changes from November forecast levels.

Please click on this link to view the presentation:

http://wstc.wa.gov/AgendasMinutes/agendas/2010/Mar16/20100316_BP07_Feb2010RevenueForecast.pdf

Action/Follow-Up Items: None

COMMISSION BUSINESS

The Commission appointed Commissioner Distler to the Ferry Advisory Committee – Tariff group. An afternoon meeting was added to the Commission calendar on Tuesday, May 18th, 1:30 – 5:00 p.m. in Olympia.

Action/Follow-Up Items: None **SR 520 TOLL RATE SETTING**

Craig Stone, Director, Toll Division and Jennifer Ziegler, Director, Government Relations, WSDOT, kicked off the discussion with a review of legislative budget and policy provisions related to tolling. ESSB 6499 revises the toll penalty process for all facilities and allows WSDOT to hear administrative appeals. The civil penalty revenue is returned to the toll facility. ESSB 6392 allows SR 520 toll revenue to be used on the entire project, not only the floating bridge and connections. This will allow toll revenue to provide a larger part of the project funding; it is not expected that toll revenue alone will fill the funding gap. It also designates HOV in this corridor as 3+ carpools.

Mr. Stone explained that the initial rate proposal will need to be presented to the Commission in July. He moved on to review the tentative decisions already made by the Commission:

Variable rate schedule, reflecting time of day and day of the week; need flexibility in rate adjustment process; use same truck rate structure as TNB; different toll rates for *Good to Go!* (either transponder or video) and pay-by-mail.

The Department is also recommending that in early tolling, transit and agency vanpools will be exempt from tolls.

The Commission asked that the Commute Trip Reduction Program, privately funded transit and the Microsoft Shuttle be brought into the discussion. There was further discussion of factors to consider in setting administrative fees for video accounts and for pay-by-mail toll payers.

Please click on this link to view the presentation:

http://wstc.wa.gov/AgendasMinutes/agendas/2010/Mar16/20100316_BP09_520TollRate_Pres.pdf

Action/Follow-Up Items: None

SECRETARY'S REPORT

Paula Hammond, Secretary, WSDOT provided an update on the Chetzemoka construction progress and the deployment of ARRA funds. She also reported that Congress today completed passage of the HIRE Act, extending SAFETEA-LU and restoring transportation funding to 2009 levels.

In April, bids will open for the southern stretch of the SR 99/Alaskan Way Viaduct Project. Governor Gregoire today announced an oversight committee to review projects replacing the AWV. WSDOT continues to work hard on reaching an agreement on the

Columbia River Crossing preferred alternative.

Both Washington and Oregon Governors have directed that an Expert Review Panel be convened to review the work so far and provide advice. An estimate for the federal funding is \$1.1– \$1.3 billion, including the light rail extension to Vancouver. That is in the 30% range of project cost.

Action/Follow-Up Items: None

TACOMA NARROWS BRIDGE TOLL RATE SETTING

Reema Griffith, Executive Director, Transportation Commission, provided an overview of proposed toll rate setting and allowable costs policies.

It was moved by Commissioner Ford and seconded by Commissioner Parker to adopt the TNB Toll Setting Policy. The proposed “sufficient minimum balance” (SMB) is intended to be adequate to cover approximately 45 days of total costs.

Rate adjustment triggers were proposed as flexible guidelines:

Actual costs exceed projected revenues.

Toll revenues continue to fall below forecasted levels.

To maintain the “sufficient minimum balance” per the established target.

Jeff Caldwell, Assistant Director, Financial Planning, WSDOT, explained the updated financial plan and budget.

It was moved by Commissioner Distler and seconded by Commissioner Forner that the only rate adjustment trigger be significant risk that the actual “Sufficient Minimum Balance” will fall below the target level. The motion was unanimously adopted.

It was moved by Commissioner Distler and seconded by Commissioner Hill that “the SMB shall not be less than approximately x percent of annual total TNB costs.”

It was moved by Commissioner Distler and seconded by Commissioner Forner that the SMB be 15% of TNB annual total costs. The motion failed 4 to 3.

It was moved by Commissioner Ford and seconded Commissioner O’Neal that the policy, with a SMB at 12.5%, be adopted. The motion passed 5 to 2.

The Commission took note that adoption of this policy would most likely result in a major toll increase in 2013 to meet the increased bond repayment schedule.

Ms. Griffith presented a proposed “Allowable Costs” WAC rule amendment for the TNB.

It was moved by Commissioner Distler and seconded by Commissioner Hill to defer this item until the next rate change on the TNB. The motion and second were withdrawn.

The Commission determined that it will revisit the proposed rule making at its May meeting. The Commission discussed whether it is also important to define “maintenance” or “preservation” in the proposed rule.

Action/Follow-Up Items: The Commission will revisit the proposed rule amendment on “Allowable Costs” at its May meeting.

PUBLIC COMMENT

Paul Locke shared that he believes the Bremerton/Southworth ferry route should be eliminated. He briefly touched on SR 520 transit funding.

Randy Boss thanked the Commission and the CAC for recent action taken on TNB toll setting.

Rob Karlinsey, Gig Harbor City Administrator, explained that the economy in Gig Harbor is fragile and he is thankful the Commission chose to not raise the toll at this time.

AUTOMATED TRAFFIC SAFETY COMERAS IN WORK ZONES

Ted Trepanier, State Traffic Engineer and Director, Traffic Operations, WSDOT, indicated that the number of vehicles greatly exceeding the speed limit in work zones dropped significantly during a pilot test. In addition to fewer cars traveling at speeds over 60 mph, there were noticeably fewer cars changing lanes at high speeds. Revenue was adequate to cover the cost, but is not a windfall to the state or local courts.

Please click on this link to view the presentation:

http://wstc.wa.gov/AgendasMinutes/agendas/2010/Mar16/20100316_BP13_AutomatedSpeedEnforcementWorkZones.pdf

Action/Follow-Up Items: None

WSDOT CONGESTION REPORT

Mr. Trepanier noted that WSDOT is doing a twice-yearly update on congestion in Central Puget Sound. The data indicates that traffic volumes have increased slowly as the recession ends. The commute time savings also reflects the impact of projects aimed at reducing congestion and improving traffic flow.

Please click on this link to view the presentation:

http://wstc.wa.gov/AgendasMinutes/agendas/2010/Mar16/20100316_BP14_MobilityTravelTimeTrends.pdf

Action/Follow-Up Items: None

TRUCK FREIGHT PERFORMANCE MEASURE RESEARCH

Barb Ivanov, Director, Freight Systems Divisions, WSDOT explained that there are three likely criteria for future federal funding: travel time, reliability and access. Washington is a national leader in tracking truck movement, identifying bottlenecks and best locations for targeted improvements.

A Final Report will be complete by Spring 2011. The information being collected will be useful in meeting new EPA Air Quality standards.

Please click on this link to view the presentation:

http://wstc.wa.gov/AgendasMinutes/agendas/2010/Mar16/20100316_BP15_TruckPerformanceReport.pdf

Action/Follow-Up Items: None

COMMISSION BUSINESS (continued)

Legislative Update

Ms. Griffith led a discussion of the budget provisions for the Commission. The Commission will ask the Legislature to develop more accurate fuel forecasts for the ferry system. A PPP subcommittee will be revitalized. It will be Elmira, Dick and Philip. The review of RTPO-collected project prioritization, and recommendations could be a huge job.

Commissioner Reports

Commissioner Hill reported that deliberations on a TBD continue. The SRTC created a Transportation Advisory Committee.

Commissioner Parker reported on attempts to move the CRC forward. The RTC is trying to get all the potential money out there.

Commissioner Forner reported that the small cities in King County are fighting for their share of transit service.

Commissioner Moser reported that Vista Field will remain open; the hearing was packed. The most compelling testimony came from the Benton County Sheriff who emphasized the value of the airport in airlifting injured people.

Commissioner Ford asked if the Commission would pursue the out-of-state truck issue with the Department of Ecology. The Port of Seattle has purchased some old trucks to decommission them.

Commissioner Parker suggested that the California trucks may be better than the ones they are replacing.

Action/Follow-Up Items: None

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ATTEST:

REEMA GRIFFITH, Executive Director

DATE OF APPROVAL