

**MINUTES OF THE REGULAR MEETING OF THE
WASHINGTON STATE TRANSPORTATION COMMISSION
May 18 & 19, 2010**

The regular meeting of the Washington State Transportation Commission was called to order at 1:30 p.m., on May 18, 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 indicating that since this meeting's agenda was published there has been a change due to recent media coverage attempting discovery of certain Washington State Ferries employee salary allegations. In light of the Governor's action in forming an expert panel comprised of the Passenger Vessel Association, which includes owners and operators, and a request to the State Auditor's Office to take a look at some of the salary practices for certain employees, it is only prudent and wise for the Commission to take a pause and allow this examination to take place and conclude, so that when the Commission goes into the tariff rate setting process it will have a full set of facts and figures in front of it, and so as not to send mixed messages to the public. Chair Moser requested a motion to officially take the Ferry Tariff item off the agenda.

It was moved by Commissioner Hill and seconded by Commissioner Forner to defer Commission consideration of any tariff adjustments until the various reviews and investigations being conducted, including the State Auditor's Office and the Passenger Vehicle Association reviews are completed, and the results are reported and considered by Legislators. The motion passed unanimously.

Action/Follow-Up Items: Review Auditor's report when released.

MINUTES SUMMARY ADOPTION

It was moved by Commissioner Ford to approve the minutes of the March 16 & 17, 2010 meeting and the April 20, 2010 Prosser local meeting. The motion passed unanimously.

Action/Follow-Up Items: None

2010 ALTERNATIVE PUBLIC-PRIVATE PARTNERSHIPS ASSESSMENT

Jeff Doyle, Director, Public Private Partnerships, WSDOT shared a proposed work plan to assist the Commission in preparing a best practices review of non-toll road Public Private Partnerships. Essentially this review will provide a baseline that will be used to develop a framework to improve the PPP Program. The final report and recommendations will be forwarded to the Legislature and the Governor along with draft legislation for the 2011 session.

Commissioners questioned justification of a PPP Program and how success criteria will be defined.

Action/Follow-Up Items: Continue to work on the non-toll road PPP Program and schedule status reports at future Commission meetings.

To view the presentation please click on the link:

http://wstc.wa.gov/AgendasMinutes/agendas/2010/May18/20100518_BP02_PPPBestPracticesReview.pdf

COMMISSION BUSINESS

Ferry Name Proposals

The Commission's Ferry Naming Committee reviewed name proposals submitted by the public and determined that the top five names closely meeting the criteria set forth by the Commission's Vessel Naming Policy are:

- Salish
- ~~Salish Sea~~
- Cowlitz
- Kennewick
- Tokitae
- Samish

These five names will be quick polled on the Commission's FROG Survey site. They will also be forwarded to Washington State Ferries and the Ferry Advisory Committee Executive Council for review and input.

It was moved by Commissioner Hill and seconded by Commissioner O'Neal to move these five name proposals forward to the FROG Survey site for public comment, to Washington State Ferries and the Ferry Advisory Committee Executive Council for review and comment. The motion passed unanimously.

It was moved by Commissioner Distler to amend the motion and strike Salish Sea from name proposals. The amended motion passed unanimously.

To view the presentations please click on the links:

http://wstc.wa.gov/AgendasMinutes/agendas/2010/May18/20100518_BP05_FerryNameProposalPackagesReceived2010.pdf

http://wstc.wa.gov/AgendasMinutes/agendas/2010/May18/20100518_BP05_FerryNamesSubmitted2010.pdf

Action/Follow-Up Items: Ferry name selection.

2010-11 Commission Officers

Chair Moser selected Commissioners' O'Neal, Ford and Hill to serve as the Nominating Committee for the 2010-11 Fiscal Year.

Action/Follow-Up Items: Formal proposal from Nominating Committee due at the Commission's July meeting.

WTP 2030 UPDATE

Bonnie Berk and Allegra Calder, Berk and Associates facilitated discussion of the May Draft 2030 WTP, beginning with a description of the process leading up to the May draft.

Members of the Commission suggested that the WTP address the different planning roles of WSDOT, the Commission, and Metropolitan Planning Organizations and Regional Transportation Organizations. Throughout WTP, write the strategies as if they are messages to the Legislature and Governor.

Comments on Foundational Themes and Strategic Drivers:

Consider reordering the foundational themes; the second and third themes give rise to the first. The land use relationship has been overlooked. It is good that transportation policy support and reinforce other state policies.

We need to acknowledge that many people disagree over the need for money; they believe that it isn't spent right.

Comments on Plan Draft by Policy Goal:

Economic vitality

- Critical for individual and collective sense of well-being.
- Refer to the aviation "sector" not "industry."
- Add "access" to the discussion.
- Address how the transportation system functions for both the ultimate user and for carriers.
- Transportation is more important to some industries than others.
- Efficiency and reliability is as important as cost to some users.
- Include discussion of public-private partnerships.
- Connect with WSDOT and Commerce on electrification study.

Preservation:

- Studded tires item should be a strategy, not a policy.
- Need to have further discussion on scope and role of transit.
- Should we focus on preservation needs of ferry system separately? If so, that section needs to be written differently.
- Move second bullet on transit to **Mobility**.

Safety:

- Make the point that safety has two aspects: engineering and behavior.
- Rural road standards should be consistent with GMA.
- State highway speeds need to be set more reflective of the area, and less so based on 80% of prevailing speed.
- Lower speed limits must be accompanied with enhancing enforcement and changing the road conditions.
- In the future, in areas that are growing, restrict access to state highways and require driveways to connect to access roads.

Mobility:

- Weave GMA into mobility and stewardship sections.
- We need to develop “corridors of the future.”
- Is the “drive-alone” trend heading upward or downward?
- Note differences among communities and their mobility needs.
- Be consistent on what we say about transit in different sections.
- Private sector can help solve mobility issues, e.g., iPhone apps for commute times, the Microsoft shuttle.
- Reduce parking availability and increase parking costs.

Environment:

- Recognize existing stormwater management plans and programs; emphasize need to fund programs and facilities.
- Need to spend more time and thought into the strategies on Greenhouse Gas reduction.
- Need to recognize the role of both individual behavior and government action. Add chart on how much people spend on fuel.

Stewardship:

- Talk with Representative Fred Jarrett.
- Acknowledge that preservation and stewardship overlap. Stewardship requires investment in the existing transportation system. Make investments at the appropriate time and place.
- Ensure consistency with Attainment Report, GMAP.
- Add in more about accountability.

The Commission chose the following locations for WTP listening sessions:

- Everett
- Spokane
- Ellensburg or Yakima
- Vancouver
- Poulsbo, Port Orchard or an alternative Kitsap County site

Action/Follow-Up Items: Commissioners will continue to review Draft Plans individually and with Staff to prepare for July 13 release of Draft WTP.

PUBLIC COMMENT

There were no public comments.

COMMISSION BUSINESS

Gerald Rettela, resident of Port Angeles, addressed the Commission expressing his support of Resolution No. 697, Naming SR 110 the “Operations Desert Shield and Desert Storm Memorial Highway.”

Representative Van De Wege read Resolution No. 697 and thanked the Commission for its consideration.

It was moved by Commissioner O'Neal and seconded by Commissioner Forner to adopt Resolution No. 697, Naming SR 110 the "Operations Desert Shield and Desert Storm Memorial Highway." The motion passed by a six to one vote.

Action/Follow-Up Items: None

To view the presentation please click on the link:

<http://wstc.wa.gov/Resolutions/697.pdf>

SR 520 TOLLING WORK SESSION

Craig Stone, Director, Toll Division, WSDOT led discussion of the SR 520 Bridge Replacement and HOV Program, which consists of four projects:

- I-5 to Medina: Bridge Replacement and HOV Project
- Medina to SR 202
- Lake Washington Congestion Management Project
- Pontoon Construction Project

Commissioners asked if WSDOT had looked into the Department of Ecology managing stormwater treatment after WSDOT builds the facilities; they also asked whether wetlands acquisition and off-site mitigation were considered. WSDOT answered that it will manage the stormwater ponds and that it had been decided to manage stormwater within the project area.

Commissioners asked many questions about the ability to add or convert to BRT or light rail in the corridor at a future date. WSDOT responded that the ability to accommodate light rail would require supplemental stability pontoons; recent design modifications to ensure adaptability to light rail are within the current budget.

The pontoon construction schedule expects that 33 pontoons will be built beginning in late 2011. They will be the largest pontoons ever built by WSDOT. Commissioners asked several questions about archeological study at the two construction sites under consideration and emphasized the need to be thorough in review before making a final site selection.

Next, Mr. Stone led an Overview on Traffic and Revenue Forecasting by Wilbur Smith Associates. The study included an origin/destination survey and travel choice preferences that looked at the value of time, travel time and speed surveys, and economic growth analysis. The study revealed that an individual's travel time is a greater factor than cost of operation in choosing a route. The modeling made assumptions of the percentage of Good-to-Go pre-paid users and a two-tiered rate structure, assuming an additional \$1.50 charge to cover actual expenses.

Current toll finance scenarios attempt to achieve the following outcomes:

- Balance revenue and throughput;
- Emphasize revenue;
- Balance revenue and throughput, but increase revenue.

Planning assumptions assume that Good to Go weekday rates will increase by about 20% when the new facility opens, and increase annually by 2.5% to cover inflation.

Another presentation discussed SR 520 operations, maintenance, and rehabilitation costs. Although the east side project and new bridge are planned to open in 2014, the west side will not be complete for at least four more years.

Ellen Evans, Deputy Treasurer, Office of the Treasurer presented information on SR 520 Finance. Triple-backed bonds (GO/MVFT/Tolls) have a lower cost but may impact the state's bond rating. Stand-alone toll-backed bonds have a higher cost. Ms. Evans suggested that if we were to go to the bond market today, a combination of bonds likely would be sold:

- Toll/MVFT/GO bonds (\$500 million)
- Stand-alone toll revenue bonds (\$500 million)
- Financing based on federal funds (\$775 million)

Jo Mortenson, Public Resource Group, talked about toll revenue approaches elsewhere across the country. Commission questions about tolling policy and CPI adjustments prompt a need for additional information on agency practices across the country.

The tolling session concluded with a discussion of toll exemptions. WSDOT recommends the following exemptions:

- Transit buses;
- Agency sanctioned vanpools exempt from excise taxes;
- Privately operated over-the-road buses, if they can demonstrate the bus operates on a fixed schedule and fixed route;
- Foreign government and international organization vehicles.

Several commissioners indicated that toll policy for transit should be consistent for SR 520 and Tacoma Narrows Bridge. When construction of the SR 520 Project is complete, the toll exemption policy will be reviewed by the Commission for possible changes.

Action/Follow-Up Items: Provide additional information on how toll agencies across the country plan for increases due to cost inflation.

To view the presentations please click on the links:

http://wstc.wa.gov/AgendasMinutes/agendas/2010/May18/20100518_BP06_520TollingWorkSessionAgenda.pdf

http://wstc.wa.gov/AgendasMinutes/agendas/2010/May18/20100518_BP06_SR520Presentation.pdf

http://wstc.wa.gov/AgendasMinutes/agendas/2010/May18/20100518_BP06_SR520OperationsMaintRehab.pdf

http://wstc.wa.gov/AgendasMinutes/agendas/2010/May18/20100518_BP06_SR520TollModeling.pdf

http://wstc.wa.gov/AgendasMinutes/agendas/2010/May18/20100518_BP06_SR520Update.pdf

http://wstc.wa.gov/AgendasMinutes/agendas/2010/May18/20100518_BP06_520TollingWorkSessionAgendaUpdated.pdf

[http://wstc.wa.gov/AgendasMinutes/agendas/2010/May18/20100518_BP06 TollExemptions.pdf](http://wstc.wa.gov/AgendasMinutes/agendas/2010/May18/20100518_BP06_TollExemptions.pdf)

http://wstc.wa.gov/AgendasMinutes/agendas/2010/May18/20100518_BP06_SR520FinanceBasics.pdf

WORK SESSION ON REGIONAL PRIORITY PROJECT LIST EFFORT

Commissioners discussed what type of project list to request from the MPOs and RTPOs pursuant to Section 205(8) of the 2010 Transportation Budget. There was much discussion about how many projects and what time horizon. Several Commissioners suggested asking for short-term, mid-term and long-term proposals.

Action/Follow-Up Items: Staff will further develop a proposal by mid-June and share with the Commissioners and MPO/ RTPO directors.

If you would like additional detail on what occurred at any Commission meeting in Olympia, please refer to our web site at www.wstc.wa.gov and click on the link titled "Meeting Audio on TVW" under the 2010 Olympia Meetings section of the home page. There you will be able to access the full audio recording of the meeting. If you have questions please contact our office at 360-705-7070.

WASHINGTON STATE TRANSPORTATION COMMISSION

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TERESA BERNTSEN, Governor's Office

ATTEST:

REEMA GRIFFITH, Executive Director

DATE OF APPROVAL