

# Transportation 101

## Moving People and Goods



Spring 2012



# Overall Transportation Funding

How much is being invested in transportation today?

- 2011-13 Washington State Transportation Budget: \$9.0 billion for the biennium
- Annual county, city and transit investment statewide from local sources: over \$3 billion



# Other current transportation spending

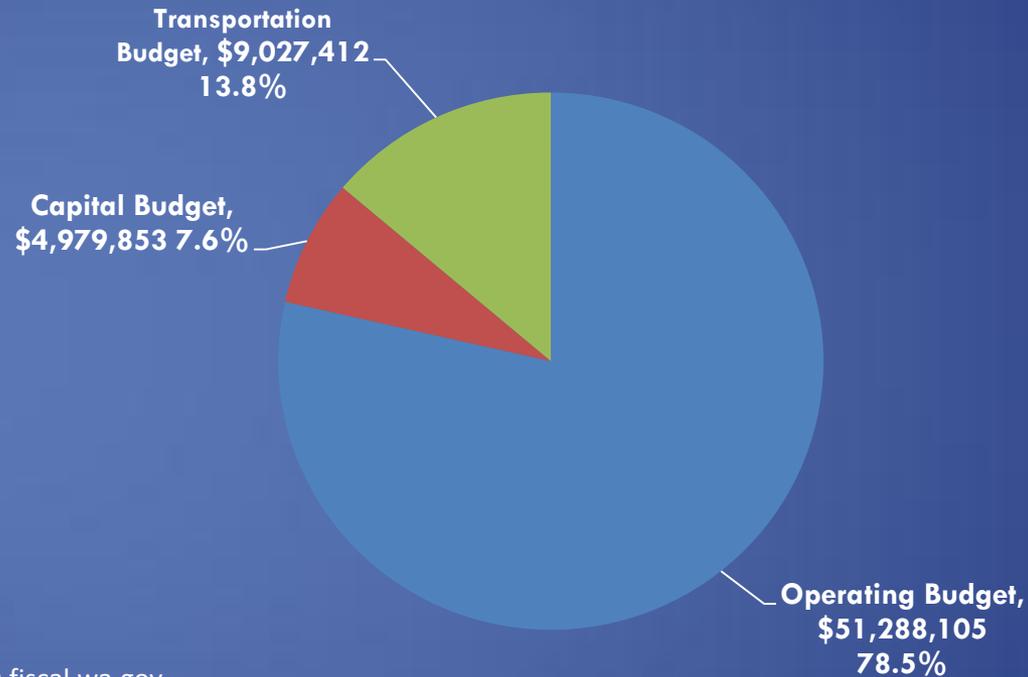
In 2009, Washington citizens and businesses spent over \$11.1 billion on gasoline and other transportation fuel.

In 2010, new car sales in the state totaled \$9.4 billion.

Washington citizens and businesses spend nearly 4 times as much on transportation as state and local government.



# Transportation Infrastructure is Less Than 14% of the State Budget\*



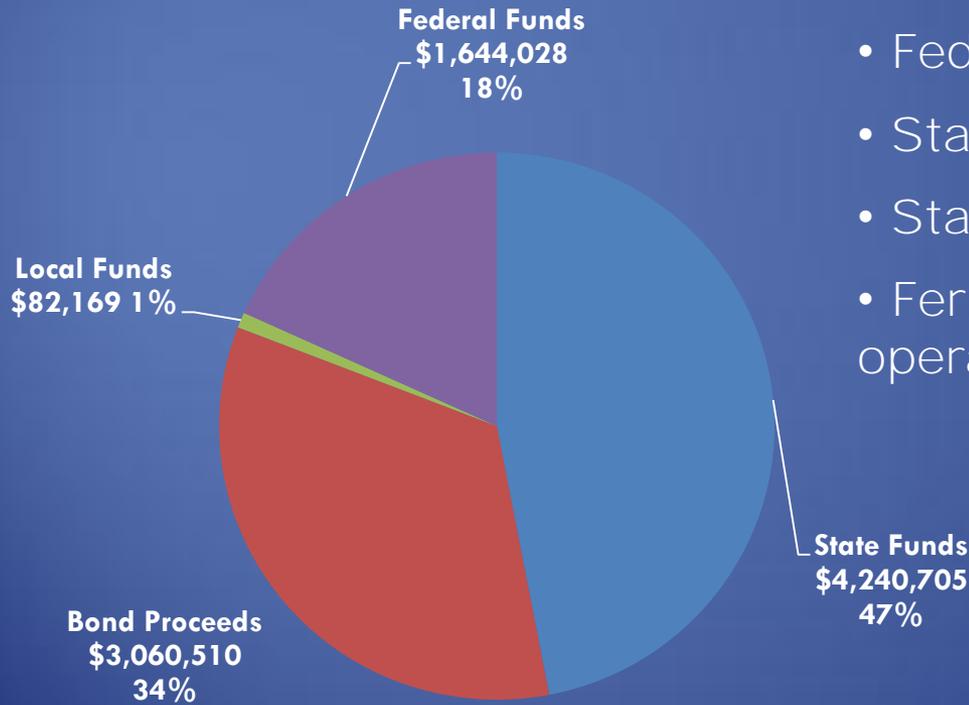
Source: fiscal.wa.gov

## 2011-13 State Budget -- \$65.3 Billion

\*Not all of the Transportation Budget builds infrastructure or moves people and goods. It also includes funding for the Washington State Patrol, the Department of Licensing and other transportation agencies.

# Where Does the State Transportation Budget Come From?

2011-13 Enacted Transportation Budget • \$9.0 billion



- Federal gas tax = 18.4¢ per gallon
- State gas tax = 37.5¢
- State car and truck weight fees
- Ferry fares pay for 65% to 70% of operating costs

# City Transportation

- Cities and towns have 18,046 miles of streets
  - 70% of cities' transportation funding comes from local revenue sources, primarily from sales tax
  - 11% of cities' transportation revenue is federal funds
  - 19% of cities' transportation revenue comes from state
    - 2.96¢ of state gas tax is distributed to cities
    - grants from Transportation Improvement Board and Mobility Strategic Investment Board
- Freight

# County Transportation

- Counties have 39,748 miles of roads in unincorporated areas
- About 62% of counties' transportation funding is locally generated, primarily from the county road share of the property tax
- 11% of counties' transportation revenue is federal funds
- About 27% of counties' transportation funding comes from state revenues
  - 4.92¢ of state gas tax is distributed to counties
  - grants and distributions from County Road Administration Board
  - grants from Transportation Improvement Board and Freight Mobility Strategic Investment Board

# Transit



31 operating transit agencies

Most local transit service revenue comes from:

- Locally-approved sales tax
- Fare box receipts
- Federal grants

State investment is mostly pays for special needs transit and Commute Trip Reduction programs.

Federal funds also provide an Intercity Bus Network to supplement private bus service.



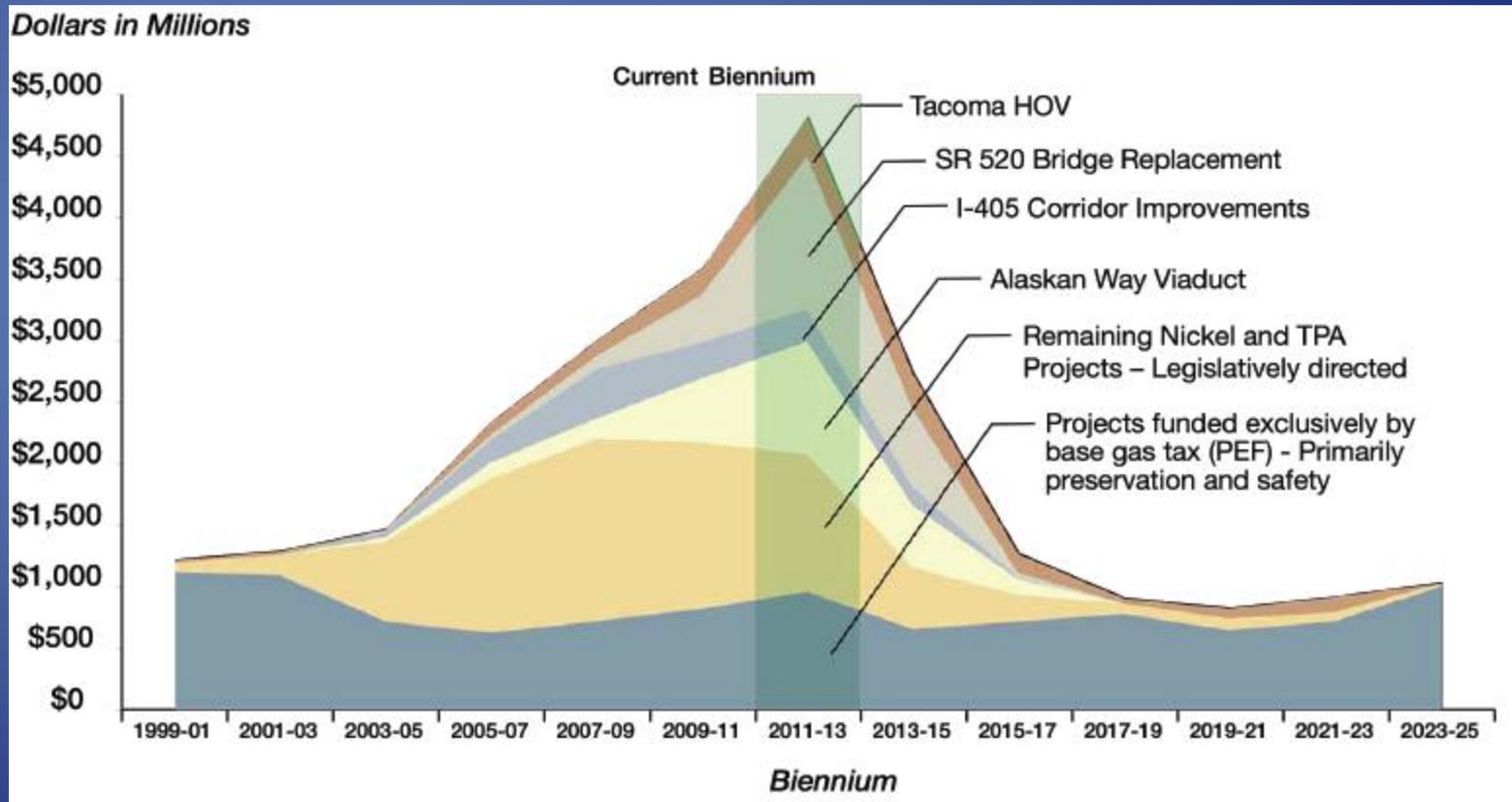
# Ports

- 75 port districts in 33 of 39 counties
- Ports can engage in both transportation and economic development
  - Marine shipping
  - Airports
  - Industrial infrastructure
  - Marinas
- Port revenue comes from user fees, leases, property tax and federal grants



# What does the Future Bring?

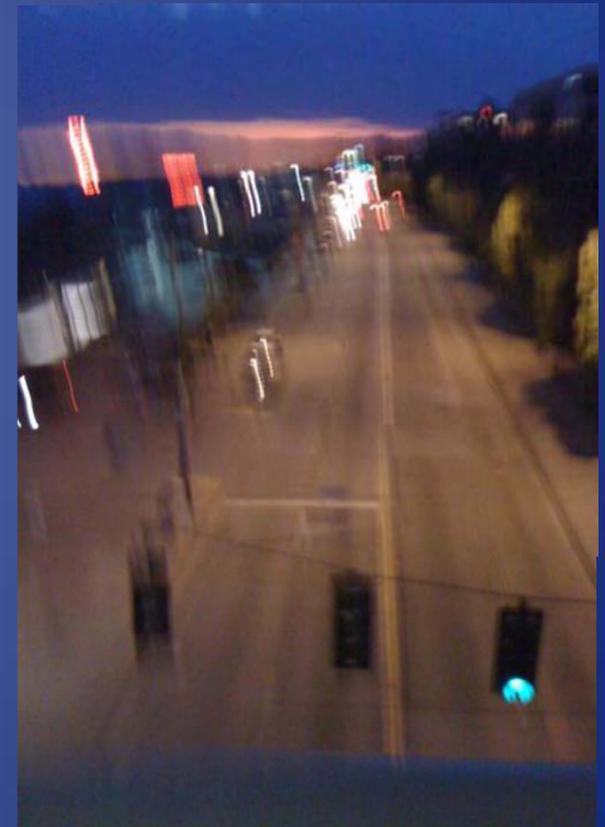
State transportation spending peaks in the 2011-13 biennium and then drops off quickly.





# Washington Transportation Plan 2030

- A comprehensive and balanced statewide transportation policy plan reflecting the multi-faceted needs of the state's transportation system
- WTP 2030 is intended to guide investment and other transportation decisions
- A transitional plan, crafted at the beginning of a new era
- Federal transportation policy is evolving and fuel tax revenue is declining



# WTP2030

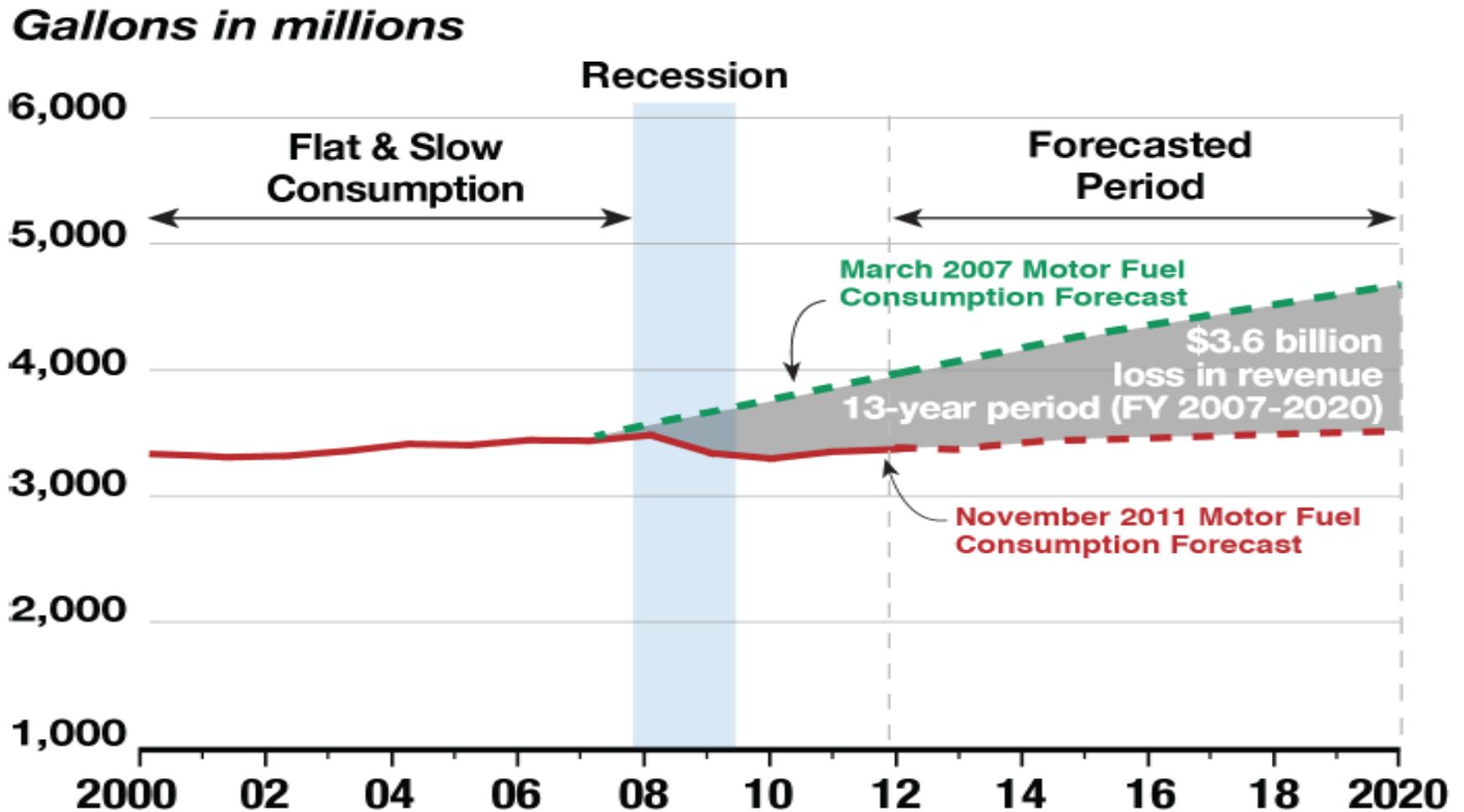


CONNECTING  
WASHINGTON  
COMMUNITIES FOR A PROSPEROUS FUTURE

## Estimated transportation infrastructure needs for the next 20 Years:

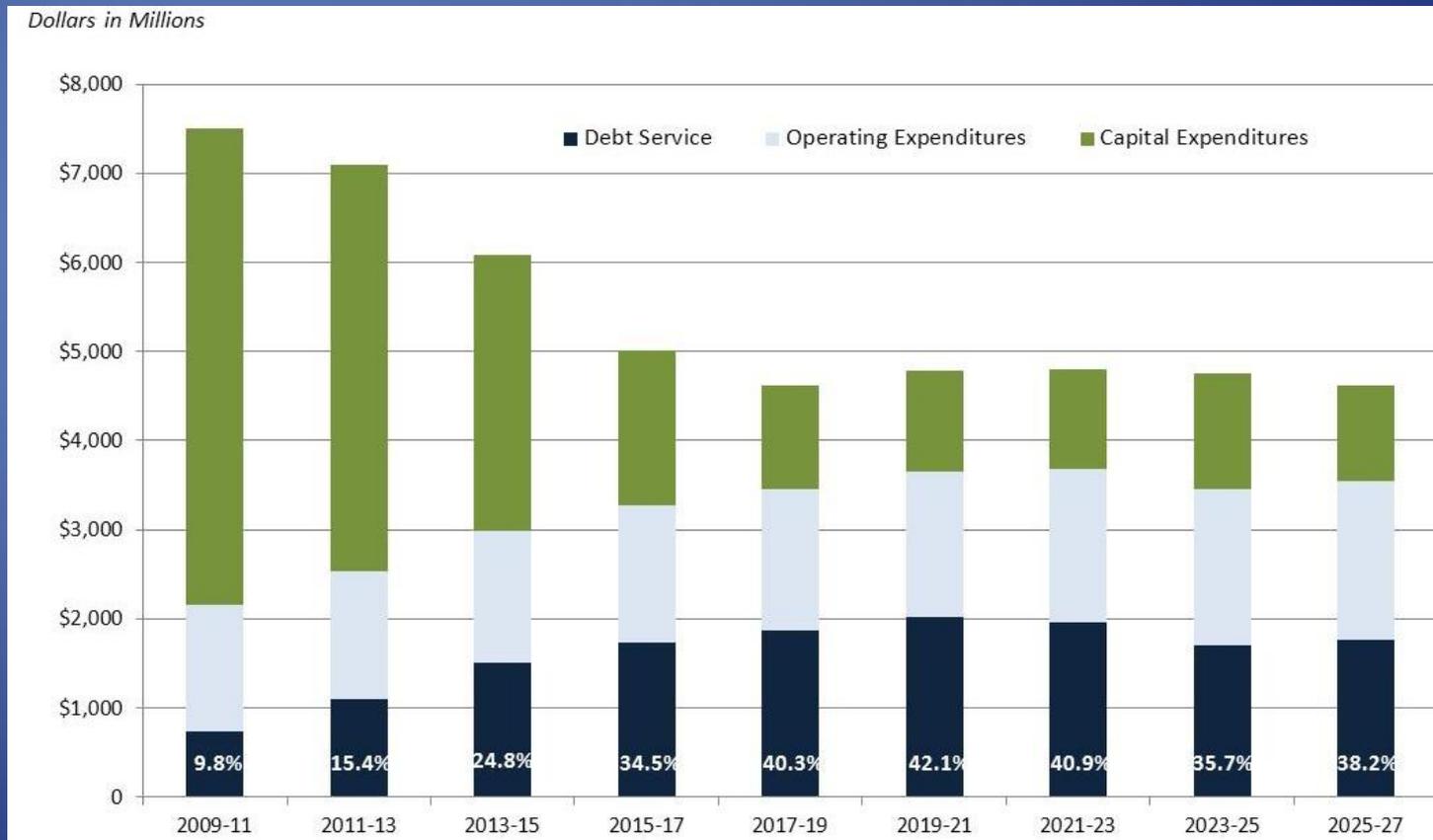
- By conservative estimates, at least \$175 to \$200 billion is needed to meet statewide transportation needs over the next 20 years.
  - The state need is estimated to be \$63.9 billion
  - The county need is estimated at nearly \$41 billion
  - The city need is estimated at almost \$29 billion.
- The 14 Regional Transportation Planning Organizations (RTPOs) were asked in 2010 to submit their top 20 transportation projects. The combined cost for the 14 lists of 20 projects was **\$22.6 billion**.
- The RTPO's separately estimated their preservation needs for roads and bridges over the next 10 years to be a total of **\$6.6 billion**.

# Slowing Fuel Consumption



# Debt Service is Growing

## Debt Service is a Significant Share of the Transportation Budget and Legislative 16-year Financial Plan



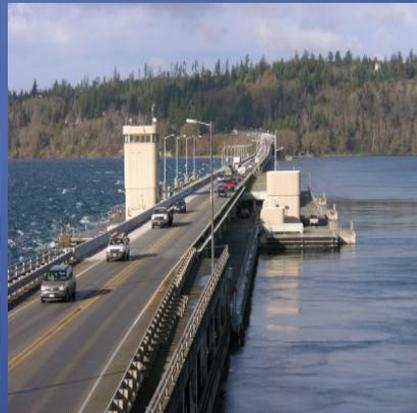
# Big Ideas in WTP 2030

- Our top priority must be to **maintain the capacity of the existing transportation system.**
- **Mobility** of people and goods is critical to our economy.



# Big Ideas in the Plan

- Establishing a **stable funding mechanism** is essential to continued mobility and the economic health and quality of life that come from an integrated and connected transportation network.
- **Ensuring environmental sustainability** by reducing emissions and mitigating transportation-related impacts is important to maintaining the quality of life in our state.
- **Performance outcome measures** are essential to ensure value for dollars spent.



# Goal: Economic Vitality



To promote and develop transportation systems that stimulate, support and enhance the movement of people and goods to ensure a prosperous economy

- A. Improve Washington's Economic Competitiveness**
- B. Strengthen Connectivity of People and Communities**
- C. Support the Coordinated, Connected, and Efficient Movement of Freight & Goods**
- D. Invest in the State's Aviation System**
- E. Ensure the Ability to Build and Expand Essential Public Facilities**

# Goal: Preservation



To maintain, preserve and extend the life and utility of prior investments in transportation systems and services

- A. **Focus on Preserving the Existing State and Local Transportation Network**
- B. **Explore New Funding Strategies for Public Transportation**
- C. **Invest in Preservation of Ferry Vessels and Terminal Infrastructure**

# Goal: Safety



To provide for and improve the safety and security of transportation customers and the transportation system

- A. Foster Implementation of Comprehensive Safety Strategies Across All Jurisdictions and Transportation Modes**
- B. Continue to Plan and Engineer Projects for Safety**
- C. Encourage Inter-Agency Collaboration and Cooperation on Emergency Preparedness and Response**

# Goal: Mobility



To improve the predictable movement of goods and people throughout Washington State

- A. Support Mobility Options to Help Communities Meet the Public's Travel Needs**
- B. Improve Connectivity to Facilitate Travel Across Modes and Communities**
- C. Strategically Prepare to Meet the Needs of an Aging Population**
- D. Support Transportation for Special Needs Populations**

# Goal: Environment

To enhance Washington's quality of life through transportation investments that promote energy conservation, enhance healthy communities, and protect the environment.

- A. Transportation Investments Should Support Healthy Communities**
- B. Manage The Transportation System To Foster Environmental Sustainability**
- C. Accelerate Clean Transportation Options**



# Goal: Stewardship

To continuously improve the quality, effectiveness, and efficiency of the transportation system



- A. **Continue to Implement Performance Measures to Ensure Accountability**
- B. **Leverage Available Technologies to Maximize efficiency in the Transportation System**
- C. **Support Tolling as a User-Based Funding Mechanism**
- D. **Review Regulations That Require the Same Standard and performance Level for All Transportation Improvements**
- E. **Strengthen the Integration Between Land Use and Transportation Decision-making**
- F. **Address Tribal Transportation Needs**

# Funding Recommendations

The Commission endorses the near-term revenue recommendations from the 2009 Joint Transportation Committee report including:

- *Increase the motor vehicle fuel tax through indexing or other means*
- *Increase licensing and permit fee revenues*
- *Increase weight fees*
- *Adopt fees for electric and other high mileage vehicles*

The 2012 Legislature increased licensing and vehicle registration fees and adopted an electric vehicle licensing fee.



# Additional Funding Recommendations

The Commission supports additional **local funding options** recommended by a 2009 JTC report. Although those recommendations did not address revenue needs of transit, the Commission recommends the Legislature provide additional revenue authority for transit operations and capital.

Fund **long-term ferry capital needs** with a vehicle excise tax or similar source, at a rate that eliminates the need for administrative transfers.

Increase **ferry fares** and other operating revenues to close the operating gap and impose ferry fuel surcharges when warranted.



# Transportation Revenue Options

## Supplement Gas Tax Revenues with Tolling

- Build a project
- Manage traffic
- Build a project and manage traffic
- Manage a transportation corridor



# Tolling To Fund a Project



## Tacoma Narrows Bridge

Project Cost: \$735 million

Toll Revenue makes bond payments and finances maintenance and operations



Toll Rates for car:

*Good to Go:* \$2.75  
*Cash:* \$4.00

Transit not exempt

# Tolling To Manage Traffic

## SR 167 HOT Lane Pilot Project:

- High Occupancy Toll (HOT) Lanes use dynamic tolling.
- Rates reflect current traffic in HOT and general purpose lanes.
- Speeds have increased by 11% in GP lanes.
- Average toll: Less than \$1.00
- HOV & transit are free



# Tolling to Manage a Transportation Corridor



# Tolling in the Future

## Two Additional Toll Facilities Authorized

- I-5 Columbia River Crossing
- SR 99 AWV Replacement Tunnel

## Four studies underway:

- I-405/SR 167 Express Toll Lanes
- SR 509 Extension to I-5
- SR 167 Extension to Port of Tacoma
- I-90 from I-5 to I-405



# Going Forward to the Future

## Road User Assessment System

- Time of Day (variable pricing)
- Place (rural vs. arterial vs. freeway)
- Distance (VMT)

## NW pilot programs run by

- Puget Sound Regional Council
- Oregon DOT



# The End. Thank you!

