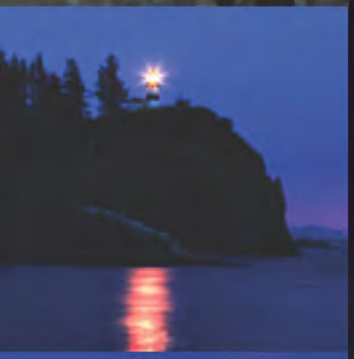

Washington State Transportation Commission

Leading the Way

2012 Annual Report

Issued January 2013

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Acknowledgments

The Commission appreciates the ideas and comments from those who have contributed to this Annual Report, especially the contributions to the Appendix from each of the state's 14 Regional Transportation Planning Organizations.
The principal author of this Report is Paul Parker, Senior Policy Analyst with the Transportation Commission.
Design work is by Cheri Huber Design, Tenino.

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Getting to school safely, Roosevelt Elementary, Olympia

Message from the Chair

The Transportation Commission has assembled this 2012 Annual Report to highlight the many organizations and efforts in our state that are *Leading the Way* in meeting our state's transportation needs today and in the future. Some of these efforts are led by the Transportation Commission — the new revenue proposal comes from our own initiative, based on information provided by entities throughout the state, including the Washington State Department of Transportation (WSDOT). Other efforts undertaken by the Commission — our work on public preferences and opinions and exploring a road usage charge as a potential future revenue source — result from leadership by the Legislature and the Governor.

Most of the 2012 Annual Report showcases many different public and private efforts that are *leading the way* in meeting growing transportation needs across the State. For example, Washington's Target Zero program provides national leadership in traffic safety. Railex is adding wine shipments to its expanding program sending northwest produce by rail to the east coast. Transit systems in the Wenatchee Valley and the Tri-Cities are reducing operating expenses by using electric buses. New federal legislation requiring each state to develop freight mobility plans is modeled after the success of our state's Freight Mobility Strategic Investment Board.

The stories and examples in this 2012 Annual Report emphasize four activities we see over and over as we travel the state:

- Local communities are taking action;
- The transportation system is holistic and modally interdependent;
- There are many local paths and priorities supporting the statewide goals of preservation, safety, economic vitality, mobility, environmental quality and health, and stewardship; and
- There is nearly universal support for prioritizing new revenue for maintenance and preservation.

Finally, despite all the examples we highlight — and these are only a few of many — more can be done to maintain and improve our transportation network. WSDOT has an exemplary record of completing projects on time and on budget. To build on that record in a time of constrained budgets and to ensure wise investment of those limited transportation dollars may require an even more systematic search for efficiencies. Taxpayers and transportation system users can benefit from a closer governmental collaboration at all levels including cities, counties, MPOs, and WSDOT to broadly embrace a bottom-up culture of continuous improvement that carefully fits the action to the transportation need.

Transportation leaders must lead the way for efficiency and effectiveness as we also ask citizens for more investments in transportation infrastructure. While it is neither easy nor simple to gain support for new revenue or for new ways to do business, we must push ahead. *Leading the Way* is less costly in the long run than the cost and consequence of doing nothing.

Dan O'Neal, Chairman

I. Leading the Way — Commission Recommendations

The Transportation Commission has taken the initiative to develop the recommendations below for new revenue, cost savings, and collaborative statewide transportation planning. We also have made progress in exploring the feasibility of a road usage charge as a potential future revenue source.

New Revenue Proposal

Across the state, our transportation network is at the tipping point of failing to meet our basic needs. While the state has invested significantly in system improvements over the last 10 years, we have fallen behind in maintaining and preserving the existing transportation system. In the next 10 years, our first focus must be on maintaining what we have. Then, we must continue to invest in critical projects that enhance our economic competitiveness, build on our state's stellar safety record, and smooth connections between home, school, work, shopping and recreation.

The Washington State Transportation Commission has submitted to the Governor and Legislature a 10-year, $7.67 billion transportation revenue proposal which recommends a gas tax increase, a motor vehicle excise tax, a gross weight fee increase, and some efficiency and cost-saving measures. The proposal builds on the work started by the *Connecting Washington Task Force*, which identified a constrained funding need of $21 billion for transportation statewide. Of the $21 billion, *Connecting Washington* targeted $10 billion for maintenance, preservation, and operations for transit, cities, counties and the state. An additional $11 billion funded capital improvements over the next 10 years.

The guiding principles of the Commission's $7.67 billion revenue proposal are:

1. **Maintain what we have built.**
2. **Finish what we have started.**
3. **Keep the proposal simple and achievable.**

Funding for Maintenance and Preservation:

The Commission recommends a 10-cent increase in the state gas tax phased in over 6 years, with a 5-cent increase in the first fiscal year (FY 2014) followed by a 1-cent increase for 5 more years through FY 2018. This gas tax increase should not be leveraged for bonds but should be used strictly for preservation and maintenance of our current transportation system (including ferry operations) on a cash flow basis. The revenue should be allocated to WSDOT, counties, and cities. This 10-cent increase is estimated to raise approximately $2.55 billion over the next 10 years.

Funding for Capital Improvements and Transit:

There are unfinished projects that the 2003 Nickel and 2005 Transportation Partnership Act (TPA) revenue packages have partially funded, several corridor projects that have been started but not finished, and several megaprojects that have no funding available. In order to complete the projects from the previous revenue packages, make progress on other significant capital projects, and to help address the funding shortfall faced by transit agencies, the Commission recommends:

- A 1.5% state motor vehicle excise tax (MVET), beginning in FY 2015 (or one fiscal year after the new gas tax increase). This tax is estimated to generate more than $500 million per fiscal year, meeting about 42% of the capital need identified by *Connecting Washington*. We recommend that 90% of the revenue collected should be used on a cash flow basis for WSDOT capital improvement projects. The remaining 10% of revenue should be dedicated to transit agencies and allocated through WSDOT.
- To address freight mobility needs, a 15% increase in the gross weight fee for all trucks over 10,000 pounds. The fee is estimated to generate $110-$120 million over a 10 year period. The revenues should be dedicated to freight projects and administered by the Freight Mobility Strategic Investment Board.

For further details on the Commission's new revenue proposal, please visit the Commission's website at: www.wstc.wa.gov

Efficiencies and Reforms

Washington State is nationally recognized for our efforts at setting transportation performance targets, measuring success, and making adjustments based on data. The Commission believes that Washington State should continue to improve its ability to ensure that transportation revenue is spent effectively and efficiently.

WSDOT has a long history of using management tools to improve efficiency within the organization, such as the Gray Notebook (see page 6). A greater utilization of lean management principles can build on methods already in use across much of the agency, including projects during the 2011-13 biennium to reduce surplus inventories, save cost and time on sign fabrication and reduce a collision data entry backlog.

We recommend that WSDOT continue its work towards identifying a process that can accurately assess project design options so they are "rightsized" for the funding available and achieve the desired outcomes. While this type of assessment occurs at times, the broader application and advancement of this approach must continue. This approach must:

- Improve the comparison of project design alternatives and the assessment of cost/benefit tradeoffs and outcomes.
- Assess investment proposals/projects and their costs against the goals and policies contained in the Washington Transportation Plan (WTP) and in the statutory policy goals to ensure that investments are strategic, efficient, and achieve the desired outcomes and goals for the system statewide.

In the Commission's revenue proposal, we emphasize the need to reduce costs for preservation, maintenance and capital improvements and rightsize project design standards and prioritization. We also suggest two other efficiency measures:

- **We recommend phasing out the use of studded tires.** Damage to state highways from studded tires is estimated to cost between $18 and $27 million annually. Save millions of dollars each year on maintenance and repair costs of state highways and local streets and roads by phasing out the use of studded tires over a five year period; and
- **We recommend streamlining the Public Private Partnership process for non-toll facilities.** The State can reduce capital costs for Washington State Ferries terminal construction and rehabilitation and for other non-highway projects by implementing the recommendations in the Commission's 2011 report to the Legislature titled: "Best Practices Review of Washington State Public Private Partnership Programs and Laws for Non-Toll Facility Projects".

For the full report visit the Commission's website: www.wstc.wa.gov

Preservation & Maintenance
Pavement Condition Ratings

Good: 70 - 100

Fair: 40 - 70

Poor: 0 - 40

The Next Washington Transportation Plan

State law requires that the Commission update the statewide transportation policy plan every four years. The Washington Transportation Plan (WTP) must be consistent with the state's growth management goals and based on the transportation policy goals provided under RCW 47.04.280.

Under current state and federal law, WSDOT also is directed to prepare statewide plans. During 2012, the Commission and WSDOT have collaborated with the state's Metropolitan Planning Organizations (MPOs) and Regional Transportation Planning Organizations (RTPOs) to develop a uniform planning approach. **We recommend a single plan, delivered to the Governor, Legislature and USDOT, addressing both state and federal planning requirements and ensuring federal project approval.**

The Commission recommends the next Washington Transportation Plan:

- Build on WTP 2030 and current state and regional plans to achieve a fiscally constrained statewide plan;
- Integrate local and regional priorities with statewide needs;
- Address performance targets and other federal planning requirements;
- Tackle fundamental assumptions that have changed over the last four years, including the reality that transportation revenue has declined while unmet needs have increased;
- Identify investment needs, funding strategies and alternatives; and
- Continue to be a readable and useful document.

Exploring a Road Usage Charge

The gas tax has been the primary revenue source for transportation improvements for over 90 years. As cars become more fuel efficient, the state will need to find new revenue to meet basic transportation needs in the future.

Pursuant to a 2012 budget directive, the Commission assembled a diverse Steering Committee to consider whether a road usage charge is feasible for the state at some point in the future. After considering the mileage-based approaches to road usage charging that have been implemented elsewhere, the Steering Committee has concluded that a road usage charge is feasible. It recommends significant additional study to determine whether this potential replacement for the gas tax is desirable for our state and to explore in detail how a program should be designed, should the Legislature decide to move forward with this work.

The Commission is recommending a work plan and budget to continue the Road Usage Charge (RUC) Study in the 2013-15 biennium. The work plan proposes that the Steering Committee evaluate in the next phase of work whether, how and when Washington should pursue a Road Usage Charge as a transportation revenue source.

For further details on the RUC Study please visit the website http://waroadusagecharge.wordpress.com/

Freight Mobility

The Freight Mobility Strategic Investment Board (FMSIB) has been an effective connection between the private sector and public sectors to leverage funding for strategic investments improving mobility in the freight transportation system statewide, including projects to lessen the impact of freight movement on local communities. **The Commission supports FMSIB legislative efforts to have the same ability to finalize project lists as the Transportation Improvement Board and to enable long-term planning for project development by codifying the 2012 funding distribution.**

FMSIB helped to fund this rail overpass at the Port of Tacoma that allows trains and trucks to move freely.

Partners Leading the Way in Transportation

Benton County Farm-to-Market Road Grid

In 2012 Benton County completed a 40-year effort to build a grid of all-weather roads serving the agricultural community. Now, it will begin to improve the network of three North-South and two East-West roads to modern standards.

Building one of Benton County's all-weather roads.

Freight Mobility Strategic Investment Board

Washington's economy is very dependent upon trade. To compete in the global economy, we need to move our products and goods efficiently and effectively. The Freight Mobility Strategic Investment Board (FMSIB) proposes policies, projects, corridors and funding to the Legislature to promote strategic investments in a statewide freight mobility transportation system.

MAP-21, the federal transportation policy legislation enacted in fall 2012, builds on Washington State's successful freight strategic planning. It establishes a national freight policy and calls for the creation of a National Freight Strategic Plan. MAP-21 also requires the U.S. Department of Transportation to establish a federal Freight Policy Council, modeled on FMSIB, to implement the key freight provisions of the legislation.

Gray Notebook

For over 10 years, the Gray Notebook has reported on WSDOT's quarterly performance in meeting agency strategic goals which are aligned with the state's transportation policy goals. Its comprehensive and clear performance analysis enhances agency-wide accountability and transparency.

Governing magazine recently recognized WSDOT's national leadership in performance management and accountability. The Gray Notebook was praised as "gold-standard data" that tells a story and is accessible to the average reader. *Governing* noted, "As Washington State's experience is showing, doing the right thing by being transparent about performance can be a win-win. Making investments based on objective data showing that an agency is using public money efficiently is how democratic government is supposed to work."

LNG Ferries

Washington State Ferries (WSF) burns more than 17 million gallons of diesel fuel each year. Fuel is the fastest growing operating expense at over $67 million and nearly 30 percent of the operating budget. That's $51.7 million more than it was 12 years ago.

WSF is exploring the option of using liquefied natural gas (LNG) as a fuel source. LNG could reduce fuel costs by approximately 40-50 percent at today's pricing and also reduce emissions. Fueling vessels with LNG produces approximately 100% less particulate matter and sulfur oxides, at least 90% less nitrous oxides, and approximately 20% less carbon dioxide.

The U.S. Coast Guard has given conceptual approval to retrofit the propulsion system on the six Issaquah Class ferries with new engines and to use LNG as a fuel source on the new Olympic Class ferries. Next steps include safety and security assessments, and designing and building a LNG propulsion system.

The Tri County Connector provides mobility for rural residents and connections to the I-5 urban spine.

North Sound Connectors

The Tri County Connector, a collaboration of Island Transit, Skagit Area Transit, and Whatcom Transit Authority, provides public transportation connections for residents of the three county area between the Canadian border and Everett. Flourishing with state support, ridership is up 17.5% to the north and over 11% to Everett. The long-distance routes are full and probably can bear fare increases.

Port Strategic Planning

The two largest ports on Puget Sound — Seattle and Tacoma — completed long-term strategic plans in 2012. With increasing industrial capacity in Asia, West Coast ports have the opportunity for major growth. That growth potential has spawned increased investment — and competition — from west coast ports in California, British Columbia and Mexico. By 2014, an expanded Panama Canal also will increase the challenge for port business.

One in three Washington jobs relies on trade. "Our state's agricultural export efforts are showing record results with $8.6 billion in Washington-origin products going to foreign markets through our ports last year," said Dan Newhouse, director of the Washington State Department of Agriculture.

The Port of Seattle's Century Agenda sets out strategic goals for the next 25 years, aiming to grow seaport container volume, triple air cargo volume and add 100,000 port-related jobs.

The Port of Tacoma has adopted a ten-year strategic plan to revitalize the port's purpose and strategy. It sets 10 targets for the decade ahead, including doubling container and dry bulk volumes, and increasing break bulk cargo by 30% and auto imports by 20%.

Railex Expansion

Since opening in 2006, Railex LLC has provided guaranteed five-day rail shipping from its Port of Walla Walla location to New York. Its business model is so successful that Railex is building a 500,000 square foot wine storage and distribution warehouse, scheduled to open February 2013. St. Michelle Wine Estates will be the primary tenant in the new $20 million complex supporting the first rail-based system to transport wine efficiently and sustainably across the U.S. In addition to creating 25 new jobs, the wine warehouse is projected to pay about $300,000 annually in property taxes.

Wine awaits rail shipment.

Regional Air Service

Regional air service is critical to economic development in communities across the state. North Central Washington, which lacks a four-lane freeway, considers Pangborn Field to be the region's "on-ramp to the world." The airport serves economic development from tourism to computer server farms.

As airlines transition to larger commercial aircraft, regional airports face the challenge of filling seats and maintaining service frequency. At Pangborn, the main 5,700 foot runway also requires a $22 million expansion to accommodate larger aircraft. Relocating the road and utilities is about half the project cost. The FAA has allocated funding and the environmental assessment is complete. The Ports of Chelan and Douglas Counties are working to provide the local 10% match.

The South Lake Union streetcar.

Seattle Grows Jobs and Housing

Passage of the Growth Management Act (GMA) in 1990 envisioned denser urban areas better served by a variety of transportation modes. The City of Seattle has grown by more than 100,000 residents since enactment of GMA — its population zooming from 493,850 in 1980 to 608,660 in the 2010 census — and has invested in major new infrastructure.

Transportation improvements in the South Lake Union neighborhood have helped to accommodate 8,000 jobs and 3,800 new residents. The $50 million cost of the new streetcar line was shared equally by the City and a Local Improvement District.

In 2012, the Seattle City Council approved the biggest redevelopment effort yet. The Yesler Terrace project, strategically located near downtown on a new streetcar line, will replace and rebuild 660 existing low-income units, provide over 1,100 additional low-income units, and add 1,200-3,200 market rate apartments and condominiums.

Sounder Service to Lakewood

Sounder, the Sound Transit (ST) commuter train, now makes nine round trips per day between Tacoma's Freight House Square and Seattle. In October 2012, ST extended Sounder service south to Lakewood. With ST now the owner of the rail line from Tacoma's Freighthouse Square to Nisqually, service could someday extend further south.

Target Zero Continues Success

Traffic fatalities in Washington are at their lowest level since 1954. Much of the credit is due to Target Zero, the state's strategic highway safety plan developed by the Traffic Safety Commission and implemented by law enforcement and transportation partners.

Fatalities have dropped from 649 in 2005 to 458 in 2011. In 2007, Washington met the national target of 1 fatality per 100 million vehicle miles traveled (VMT) and has been consistently below the national target since. A highly visible driving-under-the-influence (DUI) enforcement effort in the Puget Sound area has helped to lower the state fatality rate to 0.8 per 100 million VMT in 2011. The State Patrol and Traffic Safety Commission propose expanding Target Zero's DUI initiative to Yakima and Spokane Counties.

Tourism in Skagit and Island Counties

Tourism has become a large part of the economy in Island and Skagit Counties. The Skagit Economic Development Council (EDC) notes that 6.5 million people who love to see and photograph tulips live within a 100-mile radius of Mt. Vernon. The flat terrain, wide shoulders and excellent maps make bicycle tours easy, safe and fun.

Island County also hopes to draw more tourists on bike and foot. Island Transit makes it possible for travelers to leave cars on the mainland, walk onto ferries, and travel to Langley and Coupeville. The Port of South Whidbey notes the need for overnight parking in Mukilteo to make better use of passenger capacity on ferries. The Port also is looking into passenger ferry service in Saratoga Passage.

Transit Innovation

Link Transit in Chelan and Douglas Counties, and Ben Franklin Transit (BFT) in the Tri-Cities are cutting fuel costs. Link has acquired 5 ultra-fast charge battery trolleys to take advantage of cheap and plentiful electricity. Their travel range of 18 miles requires a recharge time of 5-7 minutes. While the capital cost of the electric trolley is about the same as diesel, compare the monthly energy cost:

- Electricity — $94.05 at 2.4 cents/kwh
- Diesel — $1,381 at $3.22/gallon

BFT has successfully demonstrated a blended fuel of ethanol, bio-oil and diesel. It is now beginning a demonstration of an all-electric, heavy duty, long range transit bus and also is exploring use of renewable natural gas for transit.

Transportation Benefit Districts

Transportation Benefit Districts

Jurisdiction	$20 Vehicle License Fee	$0.002 Sales Tax*
2012		
Castle Rock		✔
Eatonville	✔	
Kelso	✔	
Kittitas	✔	
Royal City	✔	
Lynden		✔
Toppenish	✔	
Waitsburg		✔
Wapato	✔	
2011		
Ferndale		✔
Grandview	✔	
Mabton	✔	
Mountlake Terrace	✔	
North Bend		✔
Orting	✔	
Snohomish County		✔
Spokane	✔	
Walla Walla		✔
Wenatchee	✔	
Zillah	✔	
2010		
Bellingham		✔
Leavenworth		✔
Lynnwood	✔	
Seattle	✔	
Snohomish		✔
Snoqualmie	✔	
2009		
Bremerton	✔	
Burien	✔	
Prosser	✔	
Shoreline	✔	
2008		
Des Moines	✔	
Edmonds	✔	
Lake Forest Park	✔	
Olympia	✔	
Sequim	✔	

*In 1992, Point Roberts, in Whatcom County, created a TBD funded by a special gas tax of $0.01/gallon.

In 1987, the Legislature created the Transportation Benefit District (TBD) as an option for local governments to fund transportation improvements. The statute was amended in 2005, 2007 and 2010 to expand its uses and add revenue authority. Since then, 43 cities and counties have created TBDs, quasi-municipal corporations with independent taxing authority. Of those established, 25 have enacted a $20 license fee and 10 have enacted a $0.002 sales tax.

Tribal Transit Systems

Tribal governments are expanding into transit to improve mobility. From its first bus in 2002, the transit network established by the Confederated Tribes of the Umatilla Indian Reservation (CTUIR) in the vicinity of Pendleton, Oregon has grown to carry nearly 60,000 riders in 2010. Its transit system now crosses the Oregon State Line into Walla Walla and Franklin Counties and connects with the Grape Line, a state-supported bus service between Walla Walla and the Tri-Cities.

The CTUIR system not only helps tribal members and employees get to and from work, it improves accessibility for all rural residents in the region.

West Coast Electric Highway

The West Coast Electric Highway opened on May 30, 2012. The initiative provides public electric vehicle charging stations in strategic locations in Washington, Oregon and California to promote the use of cleaner fuels along the entire 1,350 miles of I-5. Public charging stations can recharge all-electric cars such as the Nissan Leaf and Mitsubishi iMiEV in 30 minutes. There are also Level 2 "medium-speed" charging pedestals for other plug-in vehicles, such as the Ford Focus and Chevy Volt.

Link fast charge electric trolley.

Our Local Partners Across the State

In 2012, the Commission met with local leaders in Mt. Vernon, the Wenatchee Valley, Pasco, Seattle and Tacoma. Although each community has unique transportation challenges, successes, and needs, in 2012 the pervasive theme was inadequate revenue for basic preservation and maintenance of local streets and roads. Here, we identify (in no priority order) some key items in each community.

Mt. Vernon

- Skagit County has an aging bridge inventory. Eight bridges are over 70 years old and 42 more are over 50 years old.
- Two ferries and two roads, including the 76-year old Deception Pass Bridge, connect Island County to the rest of the state. There is no rail connection and no commercial air service.
- Most of the 10,000 employees at Naval Air Station Whidbey commute into Island County. And almost 1,000 Island County residents work for Boeing in King and Snohomish Counties. Commuters from Skagit and Island Counties place a heavy burden on I-5 heading north to Whatcom County and south to Snohomish County, SR 20, and the Clinton-Mukilteo ferry.
- Island County has reduced its public works staff and scaled back capital plans. Despite steady population growth, the County has not built any new travel lanes in over 20 years.
- Mount Vernon, Skagit County's largest city and county seat, has a large residential population and a small commercial base. During the day, its traffic congestion nearly doubles with trips to social services and Skagit Valley College.
- Mt. Vernon's downtown/riverfront revitalization project combines economic investment, flood protection and community walkability. In Phase One, a floodwall and riverwalk was completed in 2010. Phase Two will extend the floodwall and riverwalk, and add a plaza and riverfront park. Phase Three adds a trail and levees.
- The Port of Skagit operates an airport with a main runway over 5,000 feet long. Since the Bellingham airport provides passenger service and Paine Field in Everett handles commercial needs, the Port of Skagit considers its airport niche to be for general business in the region, including agriculture, seafood, and aerospace.
- Boat building and commercial fisheries rely on the Swinomish Channel that separates Fidalgo Island from the mainland. Many parties are working together to develop a regular 3-4 year dredging and maintenance plan, paid in part by moorage fees and possibly by tolling technology to charge channel users by trip.

Swinomish Channel.

- Island Transit aligns its routes and schedule with the Washington State Ferries (WSF). Without Island Transit's ability to get passengers to and from ferries, more commuters would drive and WSF would need more boats.
- Penn Cove Shellfish, a business operating in Island, Jefferson and Whatcom Counties, compliments WSF for its adaptive management of ferry operations. The commercial reservation system is a huge benefit to its business — profits shrink when a truck must wait two hours for a ferry in Mukilteo.

Pasco

- Pasco invests $800,000 annually in street overlays and is turning to microsurfacing as a cheaper alternative than asphalt for street maintenance.
- The Lewis Street arterial connecting downtown Pasco and its eastside industrial area is so narrow that trucks and buses often lose mirrors navigating the tunnel under the main rail line. To improve this key route, Pasco proposes a $30 million overpass and a two-way downtown couplet to improve traffic flow and provide additional space for rail operations. With the design and environmental review complete, the project is "shovel ready."

Lewis Street in Pasco.

- Franklin County's 85 miles of all-weather roads benefit the local hay, dairy and egg farms and the entire multi-billion dollar Columbia Basin agriculture industry which funnels shipments to and through Pasco and the Columbia River Ports.
- Ben Franklin Transit (BFT), the Public Transportation Benefit Area in Benton and Franklin Counties, is experiencing growing ridership. The factors that most influence BFT demand are employment, gas prices, and fare increases.
- Over 340 vans make BFT's vanpool service the third largest vanpool operation in the state and fifth largest by miles traveled in the nation. Initially begun when transit buses could not travel onto the Hanford Reservation, in the 1990s vanpool operations grew when the U.S. Dept. of Energy ceased its Hanford bus operations. Park and Ride availability and additional vehicles are critical to meeting vanpool demand.

- The Tri-Cities Airport, which began as a naval air station, is now a Port of Pasco facility with two 7,700 foot runways for commercial jets. It offers 18 flights a day to Seattle, Portland, Denver, Salt Lake City, Minneapolis and San Francisco. Boardings have grown from 225,000 in 2006 to an expected 340,000 in 2012. The airport has begun an expansion that will extend the runway length to have the ability to handle 757 aircraft and accommodate continued passenger growth.
- Alaska Airlines is transitioning to the 76-passenger Q400 aircraft in all of its service territory. The larger planes present a challenge to service frequency in some markets, including Walla Walla. Alaska now flies twice daily between Seattle and Walla Walla, with only one daily flight on Tuesday and Wednesday during the summer, down from three trips a day with smaller planes.
- Because Congress eliminated the requirement that regional airlines stay in small markets with the 2011 FAA Reauthorization, the state may now have a role to assist small airports.
- The Mid-Columbia Energy Initiative, which includes Pacific Northwest National Laboratory, Battelle Institute and other public and private organizations in the Tri-Cities, is spearheading work on using compressed natural gas and electricity as transportation fuels. Electric vehicle fleets are cheaper and cleaner to operate.
- WSDOT placed large culverts under US 12 as tunnels to reduce collisions between wildlife and vehicles. Night cameras monitor and measure how wildlife use the passages and inform future project design.

Seattle

- Spokane Street, Alaskan Way and Mercer Street are city-managed projects that tie in with construction of the deep-bore tunnel to replace the Alaskan Way Viaduct. Mercer Street improvements total over $260 million, including $44 million from two TIGER grants.

The Mercer Street project will improve mobility for people and cars.

- Seattle voters in November 2012 approved a $290 million levy for the Elliott Bay seawall replacement that is integral to the tunnel and waterfront revitalization that includes rebuilding Alaskan Way. The seawall will be complete by 2016, in time to begin removal of the viaduct. Then, in late 2017-18, construction will begin on the new Alaskan Way which will serve as the hazardous materials route and overweight route for vehicles that cannot travel through the tunnel or on downtown streets.
- To meet demand for a transit alternative for SR 520 commuters, Metro and Sound Transit (ST) have added 130 cross-lake trips per day to a base of 650, with most trips added during peak hours. The enhanced service generated a 15% ridership increase even before tolling started; after tolling began in December 2011, ridership increased an additional 10%. Transit travel times have decreased, especially in the westbound PM peak hours, and service is more reliable. Since tolling began, vanpools also have increased by 18% and Microsoft Connector ridership has increased by 20% on routes serving SR 520.
- Sound Transit (ST) is developing new Transit Oriented Development (TOD) policies and strategies to encourage TOD in transit corridors and station areas. Early examples of TOD tied to ST include a partnership at the Federal Way Transit Center with the Korean Women's Association and Artspace USA–Mt. Baker Lofts on the light rail line. Expanding light rail to Capitol Hill and the Bel-Red Corridor present bigger TOD opportunities.

Tacoma

- Completing the SR 167 freeway from Puyallup to the Port of Tacoma is the top transportation priority in Tacoma and Pierce County. The Tacoma-Pierce Chamber of Commerce estimates that completion of SR 167, which moves traffic to and from the Port of Tacoma and connects the Port to the rest of the state, will generate 80,000 jobs.
- The SR 167 Tolling Study is complete and WSDOT has developed phasing options for the 6-mile connection. A one-lane freeway in each direction is priced at nearly $1 billion, compared to full build-out at $1.5 billion. Tolling is projected to help manage traffic and forestall expansion to two lanes for 20-25 years. The community continues to advocate for full completion of the highway.
- WSDOT is extending I-5 HOV Lanes from the Port of Tacoma to SR 16, widening I-5 through downtown Tacoma, and building a larger bridge across the Puyallup River.
- Improving I-5 traffic flow through Joint Base Lewis-McChord (JBLM) is critical. Congestion is due partly to expansion of JBLM, which is expected to continue to grow, and also to growth in the entire South Sound area.

Pierce County ferry service.

- Tacoma streets are in poor shape: the overall road network score of 42 is projected to drop to 35. The city is about $8 million behind in pavement maintenance. Tacoma also must replace its Puyallup River Bridge, estimated to cost $120 million.
- Raising new revenue is a challenge for Tacoma: a levy lid lift won't work because property values have dropped by 10% and a TBD-authorized $20 license fee will generate only $2.5 million a year.
- A Cross-Base Highway would connect 200,000 people in southeast Pierce County to I-5 and the transportation network. Pierce County notes that many of the environmental concerns with the project have been addressed and a federal Record of Decision has been issued.
- Pierce County owns and operates two airports and a ferry system that serves Anderson and Ketron Islands.
- Governments, business and labor collaborate in the Regional Access Mobility Partnership (RAMP), which provides a unified voice for regional economic and transportation priorities. RAMP is co-chaired by the executives of Pierce County, the Port of Tacoma, and the Tacoma-Pierce Chamber of Commerce. Completion of SR 167 is RAMP's top priority.
- Pierce Transit ridership depends on buses for daily life. Demography indicates:
  - 56% of the ridership is from households with annual incomes under $20,000;
  - 45% lack a working vehicle; and
  - 23% ride the bus to work and 20% ride it to school or college.

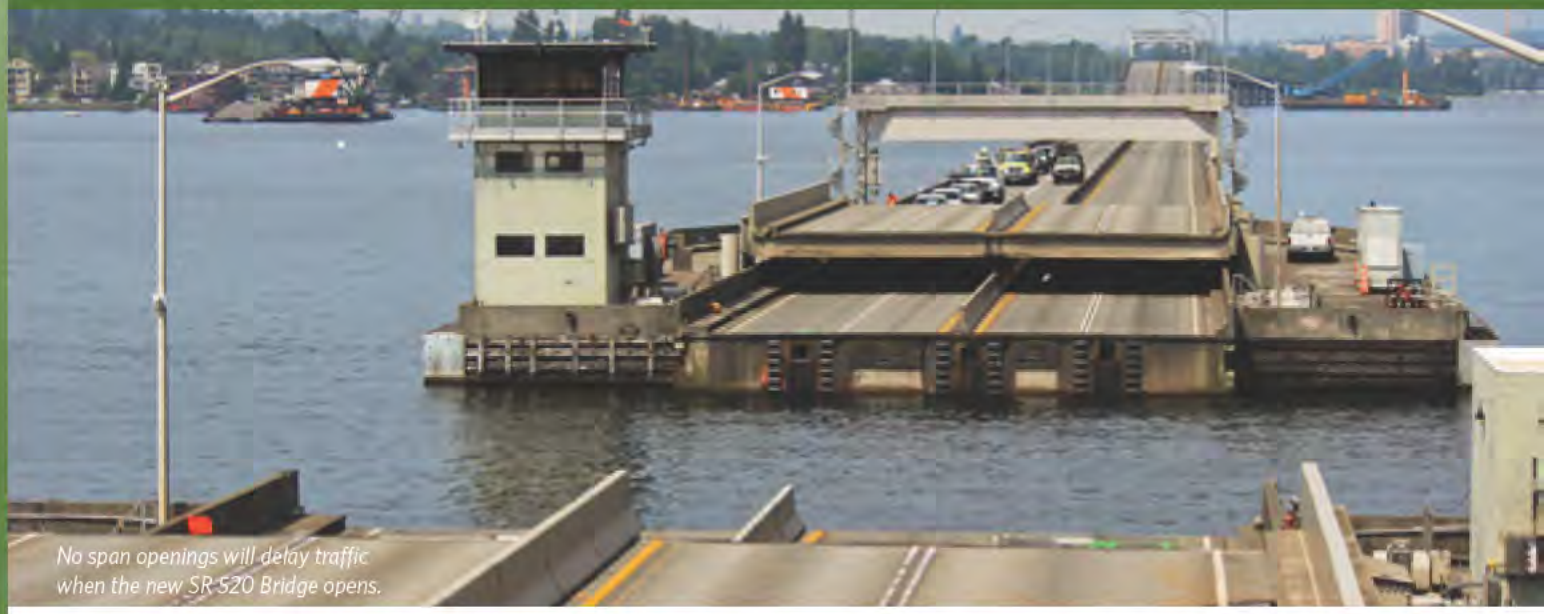
Due to the defeat of a proposed transit sales tax increase in November 2011, Pierce Transit is planning for up to 53% service reductions by 2014.

Wenatchee and East Wenatchee

- WSDOT currently uses chip seal as a preservation strategy on routes with fewer than 5,000 average daily trips (ADT). Future budget limitations will require WSDOT to expand the use of chip seal to routes with 10,000 to 25,000 ADT.
- East Wenatchee spends about 20% of its budget on transportation. Its biggest concern is the deterioration of residential streets.
- The Wenatchee Valley is a regional hub for commerce in North Central Washington, resulting in a higher percentage of arterial streets and conflicts between the state highway and downtown main streets. The City of Wenatchee, with a population of 32,000, has 100 arterial lane miles and 162 residential lane miles. Funding for street preservation and maintenance is $2.1 million a year, about $1.5 million short of the need. Capital projects would not get done without grants.
- The Apple Capital Loop Trail has grown from recreational use to a significant bicycle commute route. After its transfer from state to local ownership in 2012, Douglas County and East Wenatchee plan to make improvements, including a gateway into downtown East Wenatchee at the Columbia River Pipeline Bridge.
- One quarter of Chelan County's 50 bridges are considered deficient. Funding is inadequate to maintain the system and the average pavement condition is dropping annually. Chelan County is seeking a $6 million Public Works Trust Fund loan to bridge the gap.
- Link Transit covers 3,200 square miles, serves 111,000 residents with 60 buses, and moves 1.1 million passengers a year. Link reports that 20% of people crossing the Wenatchee River Bridge during peak periods are on buses, many traveling between Wenatchee, Leavenworth, and Chelan.
- The Ports of Chelan and Douglas Counties focus on improving transportation and the economy:
  - A new $7 to $10 million bridge across the Wenatchee River in Peshastin would replace an operationally deficient structure, provide a second access to the town, improve freight mobility, and open up a new business park.
  - A North End feasibility study, headed by the Port of Douglas, will focus development opportunities and highway access needs where SR 28, US 2 and US 97 converge.
- Improved signage on I-90 can attract more tourism to the North Cascades National Park and Lake Chelan.
- Local options for transportation revenue have practical limitations and will not bridge the funding gap in North Central Washington. Revenue at councilmanic levels will not fund the shortfall. Even if voters would support $100 license fees, the money generated is not flexible enough to address the needs and would replace only one-third of the revenue sharing taken away by the Legislature in 2000.
- Communities are making tough choices on governmental services. Due to cutbacks, Douglas County doesn't have a sheriff on patrol 24/7. Transportation has significant competition within local agency budgets.

On their visit to East Wenatchee, Commissioners view a bridge that will connect Eastmont to US 2.

II. Overview of the Transportation Commission's 2012 Work and Activities



No span openings will delay traffic when the new SR 520 Bridge opens.

Tolling Policy, Toll Setting and Ferry Fares

The Legislature has directed the Commission to provide a detailed report each year regarding changes in toll rates (RCW 47.56.855). This section of our Annual Report satisfies that requirement and summarizes the Commission's activities in setting tolls and fares.

Tacoma Narrows Bridge

The Transportation Commission raised Tacoma Narrows Bridge (TNB) toll rates for the first time since the spring of 2008. Toll revenue, generated from tolls on eastbound travel only, is currently estimated at roughly $61 million for FY 2013 based on the current rate structure. The cash toll is $5.00. Vehicles equipped with a transponder for electronic tolling pay $4.00 per vehicle and the Pay-By-Mail rate is $6.00. For all payment methods, the toll charge increases with each additional axle.

During the 2012 legislative session the Legislature took significant action to help reduce the funding need for the TNB for the next six fiscal years by deferring the repayment of the sales tax for construction. This action reduced the funding need each fiscal year by $5.7 million for fiscal years 2013-18. Repayment of the deferred sales tax now begins in FY 2019.

Tacoma Narrows Bridge Actual Debt Service by Fiscal Year 2012-17

Based upon current forecasts the FY 2013 ending sufficient minimum balance will be above the 12.5% policy target set by the Commission. The total FY 2013 funding need is approximately $63 million, in the following categories:

- $45.3 million — Debt Service
- $10.6 million — O&M
- $7.1 million — Sufficient Minimum Balance

The Commission will be reviewing traffic and revenue during the spring of 2013 and if necessary adjust toll rates to address future funding needs. Due to the back-loaded debt service schedule on the bonds issued to finance the construction of the bridge, TNB will need to generate increasing revenue in the coming years.

Eastbound travelers pay tolls to cross the Tacoma Narrows Bridge.

SR 520 Tolling

Tolling is required to generate $1 billion in revenue to help fund the new SR 520 floating bridge. The overall project cost will be lower by tolling the existing bridge while work begins to build the pontoons on which the roadway will rest. Although traffic fell significantly when tolling began, it has gradually increased as congestion grows on other facilities.

The Commission initially adopted a variable toll schedule (rates vary by day of week and time of day) on the SR 520 Bridge to maximize revenue and minimize diversion to other routes, with the goal of a free flow of traffic at 45 mph or more during 90% of peak travel hours. The initial toll rates were:

- Peak period weekday rates of $3.50 each way (7 a.m. - 9 a.m.; 3 p.m. - 6 p.m.)
- Off-peak rates (including weekends and specified holidays) range from $0 - $2.80
- There is no toll charged between 11 p.m. and 5 a.m.

Vehicles currently exempt from tolls include public and private transit buses and registered ride sharing vans, as required by terms of the federal Urban Partnership grant. Emergency response vehicles, Washington State Patrol vehicles providing enforcement services on the SR 520 corridor, tow trucks responding to a request to remove a blocking vehicle from the bridge, WSDOT maintenance vehicles engaged in SR 520 bridge maintenance, and vehicles owned by foreign governments and international organizations (as required by federal law) also are exempt from tolls. The Commission plans to review all toll exemptions when the new bridge opens.

The SR 520 finance plan assumes tolls rates will be increased 2.5% annually starting July 1, 2012, subject to review and potential adjustment by the Commission. After completion of the bridge, the finance plan assumes a 15% increase in FY 2017 with no further toll rate increase planned for the remaining life of the bonds.

Financing the SR 520 Bridge

The SR 520 financing plan is based on a series of bonds structured with the goal of targeting level toll rates after FY 2017. The first series of bonds were triple-pledge bonds issued in October 2011 (Series 2012C). The second series was a Federal Highway Grant Anticipation Revenue Bond (GARVEE) issued May 2012 and pledged anticipated federal funds (Series 2012F). The sale provided project proceeds in the amount of $600 million for an all-in true interest cost rate of 2.246% financed over 12 years.

The third series of funding was secured in October 2012 under the Transportation Infrastructure Finance and Innovation Act (TIFIA) as a secured direct loan (Series 2013C). This loan will provide project proceeds in the amount of $300 million for an interest rate of 2.99% financed with a final maturity date of June 1, 2051. The fourth series of bonds is expected to be issued in May 2013, as GARVEE bonds. The fifth series of bonds are planned for 2014, and will be toll revenue bonds.

Anticipating future megaprojects, this financial structure builds in amounts for reserves and begins to move transportation megaprojects away from General Obligation-backed bonds that burden the state General Fund. Bond covenants require net revenues from 130% to 200% of debt service in each fiscal year.

In the spring of 2012 the Commission reviewed traffic and revenue data and elected to allow the 2.5% anticipated rate increase to take effect as originally planned. The Commission will review traffic and revenue data in the spring of 2013 and decide what adjustments to the toll rate schedule are necessary to remain on track with the financial plan.

SR 167 High Occupancy/Toll Lanes

A pilot project begun in 2008 allows drivers of single-occupant vehicles that are equipped with a transponder to "buy into" the High Occupancy Vehicle (HOV) lanes on SR 167. The toll rate is posted on electronic signs and varies based on the traffic flow. During 2012, the Commission did not alter the toll rate which is currently set at a minimum of 50 cents and a maximum of $9.00.

Use of the High Occupancy/Toll (HOT) Lanes continues to grow. With the pilot project ending, the Commission supports WSDOT's proposal to continue operating the HOT lanes as a way to reduce congestion and maintain free-flow traffic conditions in the SR 167 corridor.

Divers use this floating barge while inspecting the new SR 520 pontoons.

Oregon-Washington Tolling Agreement

As directed by RCW 47.56.892, the Oregon Transportation Commission and the Washington State Transportation Commission have adopted a bi-state tolling agreement that establishes how the two Commissions will work together to set tolls and toll policy for the Columbia River Crossing (CRC) project. The bi-state agreement was developed with input from both State Departments of Transportation, Treasurers' Offices, legal staff and bond counsel.

With the agreement in place, the two Commissions and the two states are now well positioned for future establishment of toll rates and policies that meet rigorous bond requirements and protect the interests of citizens in both states. The agreement includes a periodic toll rate review process that will provide opportunity for public input, meet bond covenants and ensure a consistent construction and maintenance funding source for the CRC.

Additional details will need to be discussed as the CRC traffic and revenue projections are completed and financing plans are finalized.

Ferry Fares

Ferry fares increased by 3.0% in May 2012, the second part of a two-step fare increase enacted by the Commission in August 2011. Monitoring ridership and costs through the year indicated no need for any further fare increases in FY 2013.

Alaskan Way Viaduct Replacement Tunnel

The Commission has monitored the work of the Advisory Committee on Tolling and Traffic Management (ACTT) that is advising WSDOT and the City of Seattle on ways to structure tolling for the tunnel and minimize diversion to city streets. The Commission has reviewed and commented on the six tolling scenarios developed by the ACCT.

Public Preferences and Opinions

Engaging with the public has become a critical component for solving the complex, multi-dimensional governance and funding issues in transportation. While community meetings and public hearings remain important, the Commission has pioneered technology to let citizens voice their opinions and preferences in a meaningful way that will be heard and considered.

The Commission operates two panels made up of over 25,000 statewide residents to gather public opinion and preferences on transportation issues via online surveys. The advantages of using survey panels vs. traditional paper surveys and/or in-person public meetings are:

- Empowers the silent majority: gives a voice to the average person who is not "fed up" but wants to share their views and stay involved.
- Uses technology to gather public input: online surveys and discussion forums increase public participation, create an interactive experience, and expands access — residents can participate from the comfort of home or on the go using a smartphone.
- Provides fast results: real-time input from thousands of participants, automates data processing and analysis, and allows for a longitudinal view on public attitudes.
- Creates responsive and informed state decision making: uses fresh, statistically valid data from a survey sample large enough to allow for data analysis all the way down to the county level.

Bertha, the world's largest tunnel-boring machine, will begin digging a two-mile tunnel under downtown Seattle in 2013.

Voice of Washington State (VOWS) Statewide Survey Panel

During 2012, the Transportation Commission built on the success of its statewide transportation survey conducted in the fall of 2011 and created a statewide survey panel dubbed the "Voice of Washington State" (VOWS) with a current membership of over 18,000 residents from all over the state. The Commission launched the first on-line survey of the VOWS panel in December 2012 and over 10,000 panel members participated. Results of this survey will be submitted to the Governor and Legislature in the 2013 session.

The VOWS is more than just a survey panel — it is also a statewide public engagement program which includes seven regional online discussion forums enabling real-time conversations and suggestions for change. Individuals can join the discussion forums and publicly voice their opinions, post ideas, vote on ideas of others, and interact with citizens in their community, creating an organic, ongoing forum for public input. The ultimate goal of the VOWS public engagement program is to gather both statistically valid data and general public input on transportation policy and funding issues to inform the statewide discussion and decision-making process. Topics focus on all aspects of transportation: highways, mass transit, freight and high-speed rail, ferries, barges and aviation.

The statewide survey results are statistically valid at the statewide and regional levels, as defined by the boundaries of the fourteen Regional and Metropolitan Transportation Planning Organizations[1]. The survey provides data about the unique opinions and preferences in each region, allowing for targeted transportation investments that best meet the varying needs statewide.

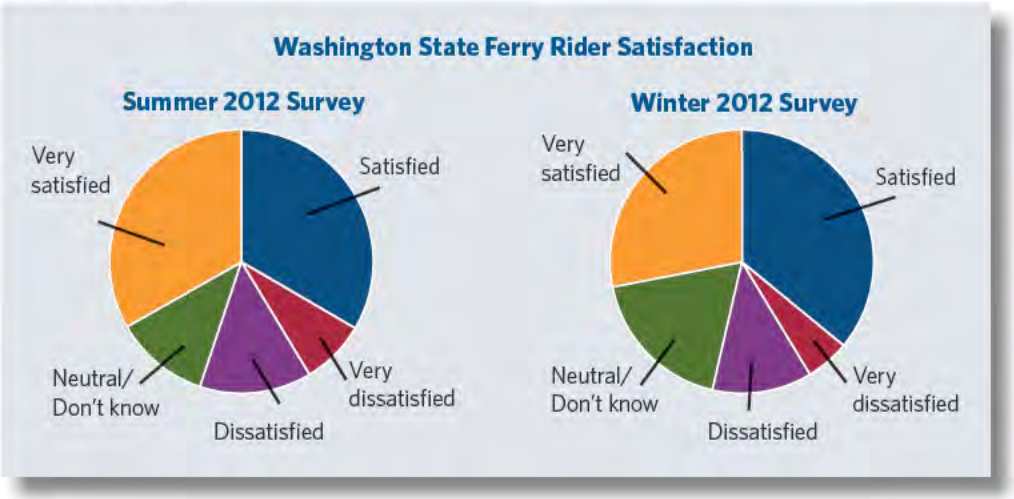
[1] Residents of San Juan County, which is not part of an RTPO, were surveyed and included in the survey results for the Skagit-Island RTPO.

Ferry Riders' Opinion Group (FROG)

The ferry surveys initiated in 2009 continue to grow and provide useful input into ferry operations. Over 8,000 people have joined the FROG survey panel and two major surveys were conducted in 2012. A total of 1,754 riders completed the 2012 Winter Customer Survey between May 3 and May 15, 2012, providing sample variability of ±2.3%. A total of 2,890 riders completed the 2012 Summer Customer Survey between September 6 and September 24, 2012, providing sample variability of ±1.8%.

Key findings from the 2012 survey effort indicate:

- In both the summer and winter periods, fewer than one in ten riders indicate strong dissatisfaction with WSF services (see chart below).
- In nearly every category measured, summer riders rate WSF service more highly.
- Winter ridership is roughly comparable to the previous year but nearly a fifth of riders indicate they are riding the ferries less, primarily due to life changes that require less travel.
- One in four winter riders say that they are driving onto ferries less often than a year ago and one in ten say that they are driving on more often.



Studies and Task Forces

Eastside Corridor Traffic and Revenue Study

The Legislature directed the Commission to analyze traffic and revenue for the WSDOT proposal to convert and expand I-405 HOV Lanes and SR 167 HOT Lanes to a dynamically tolled Express Toll Lane system. Dynamic tolling is viewed as a way to better utilize the existing roadway by selling excess capacity.

Cambridge Systematics modeled traffic on the corridor for work and non-work travel, peak and off-peak travel, both north and south of I-90. The Commission's Eastside Corridor Independent Traffic and Revenue Study, issued in November 2012, included the following highlights for gross revenue:

- The independent revenue forecast narrowed the gross revenue range used by WSDOT for prior financial planning.
- Projected revenue is within and on the low side of the WSDOT range except from 2014-2018 where the revenue is much lower than WSDOT projected, due to different "ramp up" assumptions.
- Toll revenue is highly sensitive to transponder ownership.
- Revenue growth is driven by toll rate increases, which are driven by increasing congestion.

Gross Revenue Estimate (2012 Dollars in Thousands)

		FY 2016-45
Cambridge HOV 2+	Low Forecast (15th) Percentile	$2,113,600
	Mid Forecast (50th) Percentile	$2,766,100
	High Forecast (85th) Percentile	$3,446,700
Cambridge HOV 3+	Low Forecast (15th) Percentile	$2,704,400
	Mid Forecast (50th) Percentile	$3,517,800
	High Forecast (85th) Percentile	$4,355,300
Cambridge HOV 3+/2+ OFF PEAK	Low Forecast (15th) Percentile	$2,533,800
	Mid Forecast (50th) Percentile	$3,319,600
	High Forecast (85th) Percentile	$4,118,700

The Commission Study also included these findings on operations:

- Corridor demand will exceed available capacity.
- Little difference in system performance between HOV 2+ free and HOV 3+.
- Frequent access points adversely impacts system performance due to weaving.
- Express Lane performance affects general-purpose lane performance and vice versa.

Road Usage Charge Assessment

During the 2012 legislative session, the Legislature provided funding to the Commission "solely to determine the feasibility of transitioning from the gas tax to a road user assessment system of paying for transportation." The following activities are required as part of the feasibility study:

- Review relevant reports and data related to models of road user assessments and methods of transitioning to a road user assessment system;
- Analyze the research to identify issues for policy decisions in Washington;
- Make recommendations for the design of systemwide trials;
- Develop a plan to assess public perspectives and educate the public on current transportation funding systems and options for a new system.

WSDOT also received funding "solely to carry out work related to assessing the operational feasibility of a road user assessment, including technology, agency administration, multistate and federal standards, and other necessary elements." The Commission and WSDOT have pooled resources, and with the assistance of a 20-member Steering Committee representing multiple interests, are collaboratively assessing the feasibility of a road usage charge.

More information can be found on page 6 of this Annual Report or at http://waroadusagecharge.wordpress.com/

A plug-in electric car.

Widening I-405.

Outreach and Engagement

During the course of meeting with local governments, transportation organizations and citizens around the state throughout the year, the Commission hears about many transportation challenges. In response to concerns expressed regarding the impact of new development on the state's existing freight movement and international trade, the Commission wrote two letters expressing concern.

In June, the Commission wrote to BNSF Railroad expressing concern about the railroad's capacity to accommodate additional unit trains without disrupting the current state transportation system and long-standing rail customers. While emphasizing that the Commission was taking no position on the transport and export of coal or any commodity, it noted that the effect of frequent long trains at road crossings in cities and towns may require additional mitigation to prevent traffic delays. The Commission also noted that multiple unit trains may impede operations of Washington State Ferries loading and unloading in Edmonds and Mukilteo.

In July, the Commission wrote to King County and Seattle officials stressing the importance of the Port of Seattle to the state economy and expressing concern that adding a stadium in the SODO area could seriously jeopardize freight mobility, pedestrian safety, and overall vehicular access given it is already a very congested and challenging area for transportation movements. The Commission urged the city and county conduct a complete environmental and economic assessment so that the impacts can be identified and the necessary mitigations determined.

In addition, throughout the year, as well as in previous years, the Commission has heard serious concern from transit agencies about the high cost of providing paratransit service. To cite some examples:

- Island County paratransit service is up 200% over 5 years.
- The farebox recovery ratio at Ben Franklin Transit (Tri-Cities) is about 17:1 for paratransit.
- The Link Transit (Chelan-Douglas) budget for paratransit service is $2.6 million, accounting for about 25% of the total Link budget. Fare revenue covers 10% of the cost of regular Link service and less than one percent of the paratransit cost.

As a result of this data, the Commission has asked the transit agencies for policy recommendations to lower costs.

Pierce Transit spent over $6 million on non-emergency Medicaid paratransit in 2010.

Naming Transportation Facilities

The Commission named three ferry vessels in 2012. In June, the Commission named the WSDOT Lake Roosevelt ferry "Sanpoil." This ferry, now under construction, will replace the Keller Ferry that traverses Lake Roosevelt and connects Lincoln County and Ferry County.

In November, the Commission named the two new Olympic Class 144-car ferries now under construction "Samish" and "Tokitae". The names for these ferries that will operate on Puget Sound were selected from seven proposals submitted to the Commission in September. Each of the seven proposals met the Commission guidelines for naming ferry vessels. The Commission then solicited input on the seven proposals from Washington State Ferries, the Ferry Advisory Committee Executive Council, and through an online survey sent to members of the Ferry Rider's Opinion Group and the Voice of Washington State survey panels. More than 4,000 people responded to the survey.

The ferry "Sanpoil" is under construction and scheduled to launch in July 2013.

Joint Work with California and Oregon

In January 2012, the three West Coast Transportation Commissions updated and resent a joint letter to the three state Congressional delegations urging reauthorization of federal transportation funding.

Appendix: A Snapshot of Regional Priorities

The state's 14 Regional Transportation Planning Organizations (RTPOs), some of which also are designated Metropolitan Planning Organizations (MPOs), collaborated with Commission staff in developing this snapshot of regional priorities. It summarizes and updates the compendium of Regional Transportation Priority Projects submitted to the Legislature in January 2011.

Benton-Franklin-Walla Walla RTPO provides transportation planning for the jurisdictions within Benton, Franklin, and Walla Walla Counties. Preserving and maintaining the region's existing transportation system is an essential priority and a $963 million project list illustrates the region's urban and rural diversity. An important project for the growing region is an interchange on I-82 near Benton City, providing access to West Richland and the Red Mountain wine area. The top Walla Walla County priority is completing the four-laning of US 12.

Artist's conception of Richland's proposed Duportail Bridge.

Major urban projects include replacing a deteriorating underpass in the City of Pasco, constructing a new four-lane bridge over the Yakima River in the City of Richland, and improving roadways in the Southridge area of Kennewick. Priorities also include constructing 7500 feet of multi-use track as the final phase of an intermodal rail hub in the Port of Pasco. The emphasis in the rural area is to upgrade freight routes to all-weather road standards.

North Central Washington (NCRTPO), the RTPO for Chelan, Douglas and Okanogan Counties, is staffed by the Wenatchee Valley Transportation Council. Because the region is not directly served by the federal interstate system, it depends heavily on State Routes 97, 2 and 28 for passenger and freight access to I-90, seaports and Canada.

School buses carefully navigate the SR 155 bridge in Omak.

Transportation priorities supporting the economy within the Wenatchee urban area remain focused on completing the construction of the SR 28, SR 285 and US 2 backbone highway corridors. Key rural and small city priorities include all-weather county roads to reliably move agricultural freight, replacement of the defunct SR 155 bridge in downtown Omak, a pedestrian crossing under US 2 in Leavenworth, enhancing 2-lane state highways with passing lanes and Intelligent Transoportation Systems (ITS), and continued high quality winter maintenance on the mountain passes.

The top priority is adequate funding for system preservation. Cities and counties face a growing preservation backlog and lack the fiscal capacity to offset the diminishing value of gas tax revenue. Likewise, Link Transit continues to be challenged by the loss of state funding and has exhausted its efficiency-based cost savings options. Without new revenue, WSDOT will be reducing its investment in basic highway preservation.

Northeast Washington RTPO, the RTPO for Ferry, Pend Oreille and Stevens Counties, serves the smallest and most sparsely settled rural population of the state's 14 RTPOs. The area has relatively slow economic and population growth and little traffic demand on its highway network. Due to the lack of commercial air and passenger rail services and with minimal availability of freight rail and public transportation, state highways link these largely resource and tourism based economies to the rest of Washington and the world.

The Rock Cut Bridge spans the Kettle River.

Priorities within the RTPO include support for enhanced cross-border trade and tourism, improved regional industrial productivity and competitiveness, and improved highway safety. With little public transportation (except human services) in the region, the RTPO established a Transit Coordinating Council/Committee to ensure that transit services are operated efficiently and support public transit goals for the region. Continued cooperation among the tribes, cities and counties is important to maintain and preserve city and county streets, roads and bridges.

Palouse RTPO provides transportation planning for the counties of Asotin, Columbia, Garfield, and Whitman in the southeast corner of Washington State. The Palouse region's transportation system is built for moving agricultural products to market, and for the mobility needs of the communities within the areas surrounding Washington State University.

Grain Train.

Priorities include preserving local streets, roads and bridges, maintaining the Columbia-Snake River System as a freight shipping corridor, and continued rehabilitation of short line railroads. Many of the proposed projects in the Palouse would improve roads to an all-weather usability status for mobility and commerce. Other priority needs address the mobility and connectivity issues for surface transportation corridors linking Washington to Idaho and points east.

Peninsula RTPO provides regional transportation planning for the jurisdictions within Clallam, Jefferson, Mason and Kitsap[2] Counties. A $1.203 billion dollar priority list includes a range of projects to alleviate traffic congestion and promote safety and mobility, from the $1.11 billion dollar Gorst area improvements in Kitsap County, and a major state highway bypass (Belfair Bypass) in Mason County, to smaller projects such as the US 101 Shore Road to Kitchen Road widening in Clallam County.

The Coho Ferry journeys from Pt. Angeles to Victoria, British Columbia.

Priorities also emphasize state route/county road intersection improvements and county road improvements, including the SR 20 safety and mobility improvement projects in Jefferson County. Ferry service and rural transit services are critical to Peninsula RTPO.

Puget Sound Regional Council (PSRC), is the RTPO for King, Kitsap, Pierce and Snohomish Counties. The region includes over half the population of the state and expects another 1.3 million people by 2040. PSRC is engaged in a long-term prioritization process for roughly 850 projects identified in Transportation 2040, the region's long range transportation plan. As with most regions of the state, preservation and maintenance of the current transportation system is the region's highest transportation priority.

PSRC projects and programs support the region's growth and environmental objectives and support the region's long-term economic prosperity. Its priorities include:

Finish what has been started. Anticipated revenues from the 2003 Nickel gas tax increase and the 2005 Transportation Partnership Act have fallen short of finishing promised projects, and additional needs continue to emerge. The Legislature should ensure that project commitments made in 2003 and 2005 are met, including completion of SR 520 improvements from Redmond to Seattle.

Address the transit funding crisis. The recession significantly reduced local transit revenue. Even after years of efficiency savings, cost-cutting, delayed or cancelled capital programs, personnel cuts, and transit service reductions, the region's transit riders and businesses face additional unprecedented and substantial cuts to regional transit service without more revenue. Immediate action is needed to provide alternative, reliable funding sources for transit, and a longer-term solution that will allow transit agencies to improve service and make capital investment needed to meet the state's long-term interest in public transportation and regional transportation plan objectives.

Provide stable and sustainable funding for Washington State Ferries (WSF). The ferry system connects Kitsap County with much of Puget Sound's eastern shore. WSF needs a funding source that will ensure stable operations into the future at affordable fares for ferry users and adequate to fund the long-range plan for vessel replacement and terminal upgrades, including additional 144-vehicle vessels.

Provide additional revenue for local needs. City and county road systems serve a critical role in connecting people to job centers, freight distribution hubs, and communities across the state. Cities and counties have growing needs to preserve local roads and expand them to serve planned growth. PSRC supports the distribution of new state transportation revenues directly to cities and counties and practical local options to improve the condition of local transportation infrastructure.

Provide state funding sufficient to make significant progress in controlling storm water runoff from state and local roadways. A healthy Puget Sound is critical to the future of the state and region. Transportation is a major source of storm water pollutants which affect the health of streams, rivers and the entire Puget Sound. Additional state resources are needed to help build state and local highways and roads that also will reduce storm water pollution, and make investments in capital and non-capital storm water control mechanisms to control roadway storm water runoff.

Move forward with state and regional priorities. Many highway improvement projects vital to the state's economy are located with the region — the completion of SR 167 from Puyallup to the Port of Tacoma, improvements to the I-405 corridor, the completion of SR 509, arterial freight mobility improvements, and improved southern access to Sea-Tac Airport. It also is critical to continue to deliver voter-approved light rail service north, south and east of the existing system and plan for the next steps.

[2] Kitsap County has dual membership with the Peninsula RTPO and the PSRC.

QuadCo RTPO, serving Adams, Grant, Kittitas and Lincoln Counties, has I-90 as its unifying backbone. A lattice of state highways and county roads all connect to and over that backbone. The region's top priority is preserving its local streets, roads, and bridges. There also is a significant long-term need for safety and mobility improvements on 2-lane state highway freight corridors, including the SR 24 and SR 26 corridors, SR 28 west from Quincy to the Columbia River, and SR 17 from Ephrata to US 395. Public and special needs transportation is a growing priority for this region.

SR 26 in Grant County.

Skagit/Island RTPO provides regional transportation planning for Island and Skagit Counties and the cities within them. The top regional priority is additional investment to preserve the existing transportation infrastructure and services. The estimated 10-year regional preservation need totals $287 million.

Needed improvements in Skagit County include a new railroad bridge over the Skagit River, a roundabout where SR20 splits north to Anacortes and south to Whidbey Island along with transit/pedestrian/bicyclist investments, and safety and efficiency improvements on highways and arterial roads. Island County's project needs center on SR 20 and SR 525, the highway winding the length of Whidbey Island. Projects include upgrading the Mukilteo Multimodal Ferry Terminal, safety improvements on SR 20 from Race Road to Jacobs Road, an emergency bypass road from SR 525, and a study of North Whidbey Island Access.

Sunset Beach on Whidbey Island.

Southwest Washington Regional Transportation Council is the MPO for Clark County and the RTPO for Clark, Skamania, and Klickitat Counties. The diverse region ranges from the urban development in Clark County that is a part of the Vancouver-Portland metropolitan area, to the Columbia River Gorge in Skamania County and the agricultural lands of Klickitat County.

In November 2012, after a yearlong effort, the RTC Board approved a 10-year set of transportation project priorities focused on the need to improve safety and mobility of Clark County residents. A newly adopted Metropolitan Transportation Plan (MTP) for Clark County and Regional Transportation Plans for Skamania and Klickitat Counties all point to the increasing revenue needs for system preservation and maintenance. Although preservation and maintenance leads the priorities, multimodal capital investments also are needed to serve existing and future economic development. The Columbia River Crossing megaproject is essential to economic development in the region, the state, and the West Coast I-5 corridor extending from British Columbia to Mexico. The long-term need to replace the Hood River Bridge, now titled the SR 35 Columbia River Crossing, is equally important on a smaller scale.

The Columbia River Crossing will replace the I-5 bridge connecting Vancouver and Portland.

Other investment priorities include safety and efficiency improvements for state/interstate roads, arterials, transit, and freight rail. In an effort to ensure maximum use of the existing transportation system, the Clark County portion of the region has adopted a Transportation System Management and Operations Plan to actively manage and operate the transportation network. To bring a shorter term focus to the adopted 2035 long-range MTP for Clark County, a 10-year prioritization process is under way to reassess short-term priorities in light of the current economic downturn, limited revenues, and possible new state or regional revenue discussions.

Southwest Washington RTPO serves Cowlitz, Grays Harbor, Lewis, Pacific, and Wahkiakum Counties, a five-county area transitioning from a natural resources economy to expanding export trade, specialty manufacturing, and tourism. While preservation and maintenance is the region's priority, evolution of its economy requires improved rail and intermodal connections. The major Columbia River Ports in Cowlitz County and the Port of Grays Harbor need intermodal improvements in "the last mile" connecting rail to marine terminals. The Lower Columbia Ports in Pacific County that are highly reliant on seafood harvesting and production and the inland ports in Lewis County that engage in warehousing and distribution need high quality surface transportation system improvements.

The Wahkiakum County ferry provides another route across the Columbia River.

Weather regularly disrupts transportation in this region. Flooding in Lewis County has resulted in major disruptions to the I-5 corridor and transportation in Southwest Washington. In Lewis, Cowlitz and Wahkiakum Counties, mud and rockslides routinely close US 12 and SR 4.

The continued economic downturn and the reduction in gas tax buying power have heavily impacted street and road funds across the region. Some cities have "zeroed" out maintenance and preservation programs and others are struggling to meet match requirements for grants.

Spokane Regional Transportation Council (SRTC) is the RTPO for Spokane County. Throughout 2012, the SRTC Policy Board has discussed regional transportation priorities. The Board created a list of strategic transportation investments to enhance freight mobility, improve access and safety for existing and future businesses, and enhance transit and bicycle/pedestrian systems in key locations.

The SRTC list continues the development of a balanced transportation system with five highway projects, four street improvement projects, three transit projects, and three bicycle/pedestrian projects. Top regional priorities continue to be the North Spokane Corridor and transportation system maintenance and preservation. Recognizing the importance of maintaining the existing transportation system, over 50% of the total funding on SRTC's priority list is targeted for the latter.

Segments of the North Spokane Corridor have opened in 2012.

SRTC priorities for 2013 include completing a thorough and comprehensive Metropolitan Transportation Plan that looks at traditional transportation concerns such as reducing congestion and vehicle miles traveled and investments in projects that could help create and sustain local jobs.

Thurston Regional Planning Council (TRPC) is the Thurston County RTPO. Of its diverse priority projects, 48% directly relate to regional efforts to sustain and grow the economy. They include infrastructure investments needed to spur rural economic development and retrofits of I-5 interchanges to serve existing business and industry. Many projects include safety elements. In addition, two important stand-alone bicycle and pedestrian trail facilities are on the list of regional priorities, underscoring TRPC's commitment to an integrated, multimodal system.

Downtown Olympia.

I-5 system efficiencies between Lacey and Lakewood are TRPC's highest priority. TRPC is working with its members, WSDOT, business partners, Intercity Transit and others to improve operation of the existing highway using innovative HOV, technology, Commute Trip Reduction, and pricing strategies. Stable operating funds are needed to support inter-regional express transit service that removes hundreds of peak hour vehicle trips from congested south Sound highways.

Whatcom Council of Governments the RTPO for Whatcom County, faces the challenge of growing needs in both capacity, and in maintenance and preservation. Regional priorities include over $300 million in each category for anticipated, but currently unmet, project costs. Travel demand from a strong Canadian economy has outstripped the local ability to accommodate the demand that is increasing wear on the region's system.

In Whatcom County, much of the I-5 traffic heads to or from Canada.

Projects range from major improvements to I-5 and other highways serving border cities to substantial projects supporting Bellingham's large waterfront redevelopment. Other priorities include upgrading several routes to all-weather-road standards and improving movement of international freight. Cities are intent on improving pedestrian and bicycle access and facilities, but available funding is meager. Despite increased ridership, and ongoing and rigorous efforts in travel demand management, and smart travel marketing and education activities, Whatcom Transportation Authority (WTA), the region's transit provider, has been forced to reduce service as funding continues to diminish.

Agricultural products traveling on Yakima area roads.

Yakima Valley Conference of Governments (YVCOG) is the MPO for the Greater Yakima Metropolitan Area and the RTPO for Yakima County. Priorities guiding the region's long-range planning and implementation are: ensuring system preservation, improving safety, expanding alternative transportation mode choices, promoting project readiness; and enhancing economic vitality.

YVCOG takes pride in its member agencies' successes at identifying regionally-supported projects, optimizing funding opportunities, and delivering regionally significant projects. Recent successes include the Ellensburg/Yakima bus service and full funding for the final stage of a railroad grade separation in downtown Yakima that begins construction in early 2013. The inter-regional transit service connects travelers from Yakima and Ellensburg for school, medical, shopping and employment trips. Cooperative efforts of member jurisdictions during 2012 not only provided regional funding to fill the final $5 million shortfall for the Martin Luther King Jr. Blvd. grade separation project but also preserved an additional $5 million in TIB and FMSIB funding.

Long range projects include planning for a new east-west corridor that will connect urbanized areas east of I-82 with access to 200+ developable acres at the gateway to Yakima. This investment, estimated to cost approximately $135 million, will reshape the landscape of the region. With coordination between state, county and city partners, it will provide a new bridge across the Yakima River, improve I-82 interchanges, and enhance access to the Yakima River Greenway.

Regional and Metropolitan Transportation Planning Organizations

The **San Juan Islands** is the only geographic area of the state that is not part of an RTPO. San Juan County works together on transportation with the City of Friday Harbor and the county's three public ports. Residents are entirely dependent on the marine highway system and limited air service to connect with the rest of the state. Infrequent ferry service between the islands and the lack of public transportation inhibit the ability to travel from one island to another.

Commission Facts

Roles and Responsibilities

Key Facts

The Washington State Transportation Commission is a seven member body of citizens appointed by the Governor for six-year terms. The Secretary of the Washington State Department of Transportation and a representative from the Governor's Office are ex officio members of the Commission.

The Washington State Transportation Commission provides a public forum for transportation policy development. It reviews and assesses how the transportation system works across the state and develops and issues a comprehensive and balanced 20-year statewide transportation plan. As the State Tolling Authority, it adopts all state highway and bridge tolls and sets fares for Washington State Ferries (WSF).

Current Responsibilities in Detail

Washington Transportation Plan

Every four years, the Commission recommends to the Legislature a comprehensive and balanced statewide transportation plan. The plan must be consistent with the state's growth management goals and be based upon transportation policy goals adopted by the Legislature. It is required to reflect the priorities of government and address local, regional and statewide needs, including multimodal transportation planning. The next plan is due December 2014.

State Ferry Fare and State Highway Toll Responsibilities

The Commission is the state's tolling authority, adopting tolls for the SR 520 Bridge, the Tacoma Narrows Bridge, the SR 167 HOT Lanes, and any future authorized toll facilities.

The Commission reviews and adjusts the WSF fare schedule and adopts fare and pricing policies. The Commission also reviews the WSF long-range capital plan and operational strategies.

Ferry Customer Survey

The Commission is required to conduct a ferry customer survey every two years. Data gathered is used to help inform the level of service, operational, pricing, planning, and investment decisions for the state ferry system.

Policy Guidance

The Commission offers policy guidance and recommendations to the Governor and the Legislature in key issue areas including but not limited to:

- Transportation finance and funding
- Preserving, maintaining and operating the statewide transportation system
- Transportation infrastructure needs
- Transportation efficiencies that will improve service delivery and intermodal coordination and connectivity
- Improved planning and coordination among transportation agencies and providers
- Use of intelligent transportation systems and other technology based solutions

Public Involvement and Outreach

The Commission conducts its public outreach program through meetings held in Olympia and localities throughout the state each year and through its statewide survey panel, the Voice of Washington State (VOWS). Meetings held outside of Olympia focus on local and regional transportation issues and challenges. The Commission also convenes periodic regional forums to gather citizen input on various transportation issues.

Transportation Innovative Partnerships Program

The Commission may solicit concepts or proposals for eligible public private partnership (PPP) projects. In consultation with the Governor, the Commission may execute, reject or continue negotiations on proposed PPP.

Route Jurisdiction Transfer Program

The Commission is required to consider and act upon possible additions, deletions, or other changes to the state highway system. The Commission receives, reviews, and evaluates petitions from cities, counties, or WSDOT requesting changes to the state highway system. Once the review is done, the Commission makes a final finding and forwards its recommendation to the Legislature for final action in law.

Studies and Projects Completed Recently

- Completed the Eastside Corridor Independent Traffic and Revenue study
- Updated the Washington Transportation Plan — a 20-year vision for statewide transportation
- Completed two Statewide Transportation Surveys to assess residents' attitudes, perceptions and priorities
- Conducted comprehensive system-wide ferry customer surveys
- Completed a report on non-toll Public Private Partnerships that includes recommendations on streamlining PPP laws for the purpose of non-toll projects
- Completed a report on regional priority transportation projects

Commissioners

Dan O'Neal, Chairman, Mason County

Dan O'Neal, is on the Board of Directors of Greenbrier Companies (GBX), a publicly traded railroad car leasing and manufacturing company. He has owned and operated transportation and software businesses. Dan has actively participated in efforts to gain private and public sector support for improved freight transportation infrastructure. He is a member of the Puget Sound Partnership Leadership Council. Prior to joining a law firm in 1980 he was Chairman of the Interstate Commerce Commission. He also served as Transportation Counsel to the Senate Commerce Com-mittee chaired by Senator Warren Magnuson. Dan was appointed by Governor Locke in 2003 and reappointed by Governor Gregoire in 2009. Term expires June 30, 2015.

Tom Cowan, Vice Chairman, San Juan County

Tom Cowan is a public policy consultant and also manages marine resources restoration projects. Tom was formerly the Director of the congressionally authorized Northwest Straits Commission and was a former Assistant Director for the Puget Sound Action Team. Prior to that, Tom was a San Juan County Commissioner for 12 years and served as President of the Washington State Association of Counties. Tom and his wife owned and operated an electrical contracting firm and the only hardware and building supply store on Lopez Island. Tom is currently the Chair of the San Juan County Land Bank and a Board member of the SeaDoc Society. Tom has lived on Lopez Island for the past 36 years and is a frequent ferry rider. He was appointed to the Commission by Governor Gregoire in 2011. Term expires June 30, 2016.

Philip Parker, Clark County

Philip brings a varied background to the Commission. He recently retired as a Journeyman Electrician and has taught in the electrical apprenticeship program. Philip has represented the Vancouver community on many boards with a recent focus on workforce development and transportation issues. Philip was appointed by Governor Gregoire in 2007. Term expires June 30, 2013.

Joe Tortorelli, Spokane County

Joe is an economic development consultant with over 30 years experience working with cities, counties and Ports interested in growing their local economy by creating jobs and private sector capital investment. He began his career with Washington Water Power Co., now Avista Corp, after attending Eastern Washington University. He has served as president on numerous boards for economic development, also serves on a variety of local boards such as the Spokane Area Workforce Development Council, the Inland Pacific HUB Executive Committee, the SRTC and the Spokane Area Good Roads Association. Joe has lived in Spokane all of his life and is an avid cyclist and snow skier. He was appointed to the Commission by Governor Gregoire in 2011. Term expires June 30, 2014.

Anne Haley, Walla Walla County

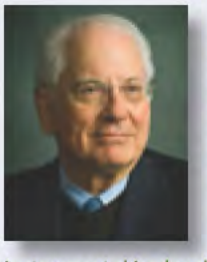
Anne comes to the Transportation Commission with a breadth of experience on private, public, and nonprofit boards and commissions, and 30 years experience of managing public libraries in Washington. She currently is Chairman of the Board of Directors of Brown & Haley, Tacoma. As Chairman of the Washington State Library Commission, she guided the Washington State Library's merger into the Office of Secretary of State in 2002. She was President of the Washington Library Association and Pacific Northwest Library Association, and Counselor-at-Large of the American Library Association. In Walla Walla, she founded Project Read, sat on the Sherwood Trust Advisory Committee, and served on various community organization boards. After retiring from the Yakima Valley Library in 2002, she returned to school and earned a BFA degree. Anne was appointed by Governor Gregoire in April 2011 for a partial term and reappointed in 2012. Term expires June 30, 2018.

Jerry Litt, Douglas County

Jerry joins the Commission with 37 years experience in planning and community development. He has served as the Director of Planning and Community Development for the City of Lacey for 13 years and 10 years with Douglas County. His experience includes responsibility for a full-range of Planning and Community Development services, including public participation in Douglas County's award winning GMA public involvement program and the City of Lacey's "Designing Downtown 2000" program. He has also been involved with state-wide issues through the Washington City Planning Director's Association as an executive board member. As past president of the Washington County and Regional Planning Director's Association he has built a long history and awareness of community infrastructure needs at the forefront. He has additional experience in the private sector as a consultant in Spokane and Wenatchee, as a member of the Wenatchee Area Transportation Study, development of the Apple Capital Loop Trail, member of the Transportation Improvement Board, the International Council of Shopping Centers and the Urban Land Institute. Jerry was appointed to the Commission by Governor Gregoire July 2011. Term expires June 30, 2017.

Charles Royer, King County

Charles served three terms as Mayor of Seattle from 1978 to 1989, during which time he also served as President of the National League of Cities. Charles was Director of the Institute of Politics at Harvard University and Lecturer at the John F. Kennedy School of Government for five years, and later directed the University of Washington's Urban Health Initiative. Charles is co-chair of the Seattle Central Waterfront Committee also was co-chairman of the Advisory Committee on Tolling and Traffic Management that is recommending strategies and policies to minimize downtown traffic impacts from the tunnel replacing the Alaskan Way Viaduct. Charles also serves as Chairman of the Major League Baseball Stadium Public Facilities District. Charles was appointed to the Commission by Governor Gregoire in 2012. Term expires June 30, 2013.



The Commission wishes to thank Richard D. Ford for his 8 years of service as a Member of the Commission, which included two years as Chairman and two years as Vice-Chairman. Commissioner Ford, a native of Washington and resident of Seattle, was a trusted advisor to many state leaders. He devoted much of his career to public service, including 17 years at the Port of Seattle and Chairman of the Growth Strategies Commission that led to enactment of the Growth Management Act. On the Transportation Commission, he was instrumental in developing state tolling policy and innovative approaches to financing the state's transportation needs.

Governor Gregoire proclaimed December 11, 2012 as Richard D. Ford Day. This recognition added to the numerous honors and awards during his career, including the Puget Sound Maritime Man of the Year, the WSU Alumni Achievement Award, and the Outstanding Citizens Award of the Seattle-King County Municipal League.

Commissioner Ford retired as a Transportation Commissioner on November 30, 2012.

Photo Credits

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SeaTac Airport

Washington State
Transportation Commission

P.O. Box 47308
Olympia, WA 98504-7308
360.705.7070
www.wstc.wa.gov