



Washington State Transportation Commission

Regular Meeting Summary
January 18 & 19, 2017

Vice Chairman Roy Jennings called the meeting to order at 9:00 am and announced that, lacking a quorum, the Commission will not be taking action at the January meeting. He then asked Commissioners and staff to introduce themselves.

COMMISSION BUSINESS

Commissioner Tortorelli reported that the Spokane Regional Transportation Council is in the process of filling the vacancy created by the retirement of its Executive Director.

Vice Chairman Jennings reported that he attended the Amalgamated Transit Union Council to talk with their employees about joining the Road Usage Charge pilot program. He attended a meeting of the bridge replacement group for the I-5 crossing of the Columbia River. He also reported that the Tolling Subcommittee met with Pierce Transit.

Commissioner Serebrin reported that she attended the Transportation Research Board Conference, but not in her capacity as a Commissioner.

Action: None

Follow-Up: None at this time

2017 LEGISLATIVE SESSION AND BUDGET UPDATE – CITIES, COUNTIES, PORTS AND TRANSIT

Most trips use city streets and county roads, and significant amount of freight movement begins and ends in ports. Public transportation is the primary travel mode for many. Local transportation partners highlight their fiscal and policy priorities for 2017.

Gary Rowe, Washington State Association of County, (WSAC) identified the legislative priorities for counties. Counties have 39,000 miles of road. There are hundreds of thousands of culverts; although counties have not been sued as the state has, counties estimate there are over 3000 fish-barrier culverts.

The Capital Budget includes a funding request from the Fish Barrier Removal Board for \$19 million. Very little of the Salmon Recovery Funding Board money is spent on culvert removal.

Funding has been reduced for the Rural Arterial Preservation Program administered by the County Road Administration Board.

Jane Wall, Government Relations Advocate, Association of Washington Cities (AWC), indicated that cities' priorities are similar to WSAC. AWC is working on legislation to establish reasonable fees for electronic records requests and how to address the use of computer bots. The Public Records Act has not changed since the 1970s and has not kept up with technology. Carl Schroeder is AWC's lead on fish passage; cities estimate there are 900 fish passage barriers in the Puget Sound area. Because there is not consistent reporting or criteria for pavement preservation reporting, AWC is seeking repeal of that statute. AWC also wants follow-up on the Joint Transportation Committee Road-Rail conflict study; 2000 at-grade crossings need attention, at a cost of almost \$1 billion.

Ms. Wall also reported that about 90 cities have adopted Transportation Benefit Districts (TBDs). Six to eight cities have taken steps to utilize the increased TBD authority. The Local Revitalization Financing (LRF) Program continues to be a priority for AWC. Senator Brown is expected to introduce LRF legislation.

Chris Herman, Senior Director, Washington Public Ports Association (WPPA), reported that Washington has 75 port districts, more than any other state. Real ID compliance is very important to ports; the inability to board a plane on January 18, 2018 will burden airports and other provisions will affect marine port operations. With legislation underway in both the House and Senate, the state has asked the Department of Homeland Security for an extension until 2020. WPPA also seeks continued funding for the Community Economic Revitalization Board.

Justin Leighton, Executive Director, Washington State Transit Association (WSTA), reported the City of Ellensburg is the newest WSTA member. WSTA wants to see more state funding for public transportation – the burden falls on local areas and fare payers. Its first priority for 2017 is to protect and maintain funding programs for public transit.

Other legislative goals:

- Support a statewide bus and bus facility capital grant program.
- Expand job order contracting to include public transit.
- Expand Commute Trip Reduction eligibility to include all day trips.
- Support efforts to lower the cost of operating electric bus fleets, through lower rates for mid-route fast charging. (Reduced or no demand charge.)
- Support efforts to encourage bike usage on transit fleets.
- Support effective and efficient delivery of public transit.
- Ensure efficient and effective delivery of public transit.
- Seek funding from the Volkswagen settlement for mitigation expenditures that benefit public transit.

Action: None

Follow-Up: None at this time

SEATTLE TRANSPORTATION, LAND USE AND HOUSING

Population and employment growth in the state's largest city influences transportation and land use throughout the Puget Sound. City of Seattle staff shared the new Seattle 2035 Comprehensive Plan and its housing strategy.

Tom Hauger, Manager, Comprehensive and Regional Planning, City of Seattle, said Seattle has added 49,000 housing units since the city's 2004 major land use update. By 2035, the city expects:

- 70,000 housing units
- 115,000 jobs
- Represents over 1/3 of all expected growth in King County
- Population forecast at 725,000 and 685,000 jobs

Top issues identified by the public:

- Public transit
- Affordable housing
- Parks and open space
- Schools

Updated Growth Strategy:

- Identify urban villages well-served by transit for higher growth rate and possible boundary expansion
- Consider potential new urban village at 130th Street
- Lower growth rate for villages with risk of displacement

Connection of the Seattle 2035 Plan to the Puget Sound Regional Council 2040 Plan:

- Directs large majority of growth to locations well-served by light rail or frequent bus service
- Identifies locations for transit, bicycle and pedestrian facility improvements to promote mobility choices
- Focuses on equity to provide access for low-income people and populations of color
- Uses new multi-modal level-of-service measure of system performance

The Housing Affordability and Livability Agenda (HALA) reflects Seattle 2035.

- New policies about mandatory affordable housing
- Urban Village (UV) boundary expansions - finalize through HALA outreach
- Future Land Use Map change - supports rezones within UVs
- Land use policies encourage more housing choices

Seattle adopted an urban design plan to improve sidewalk placement, storefronts, walkability.

Commissioners asked at the state level what is helping or hindering good planning. Mr. Hauger responded that a lot more investments in transit are needed.

Another top priority is preservation of property tax exemptions. Similar to the multifamily tax exemption, it would be an incentive to preserve existing affordable multifamily housing.

Secretary Millar asked whether Seattle is working regionally to share job growth better with residential growth. It is a challenge to redirect job growth, especially when some of the cities on the urban fringe lack transit service.

Michelle Chen, Equitable Development Manager, Office of Planning and Community Development, City of Seattle, provided details on HALA and its 65 recommendations. HALA is the housing strategy to meet Seattle 2035 aspirations.

Today, more than 45,000 Seattle households spend more than half of their income on housing. The average rent for a 1-bedroom apartment in Seattle increased 35% in the last five years to \$1,641. The HALA goal is 50,000 new housing units: 20,000 affordable homes and 30,000 at market rate.

HALA contains four categories of recommendations:

- To invest in housing for those most in need, Seattle voted to renew and expand a housing levy, which is a property tax to fund affordable housing for the lowest-income residents.
- To address displacement, Seattle established new protections for renters that make it illegal for a landlord to discriminate based on the source of a person's income. The city is working on incentives and financing tools for private property owners to upgrade their buildings while maintaining affordable rents, and through the Equitable Development Initiative, it is investing in community-led projects to expand opportunity in communities facing displacement pressure.
- The city also is exploring how to make development more efficient by streamlining parts of the permitting process to reduce costs and changing the Design Review program. It is also looking at parking requirements.
- Finally, there is a new policy called Mandatory Housing Affordability (MHA).

Mandatory Housing Affordability aims to accommodate population growth with affordability:

- All new multifamily and commercial development must either build or pay into a fund for affordable housing.
- Provides more development capacity to partially offset the cost of these requirements
- Increases housing choices.
- It is a state-approved approach other local cities have used (e.g., Issaquah, Federal Way, and Redmond).

Housing created through MHA will be affordable for people earning up to 60% of the area median income, which is about \$38,000 for an individual or \$54,000 for a family of four. The average one-bedroom apartment is more than \$1,600 per month, and the average rent for a new one-bedroom unit is almost \$2,000. Homes built through MHA will have rent capped at \$1,009.

To put MHA in effect, some areas may see a "typical" zoning change to allow new buildings to have one additional story compared to what is currently allowed. Most of the HALA recommendations on transportation involve reducing parking requirements.

Ms. Chen hopes that by increasing supply there will be more workforce housing options, so that Seattle can continue to be diverse socially and economically.

[Seattle 2035 Plan](#)

[City of Seattle Housing Affordability and Livability Agenda](#)

Action: None

Follow-Up: None at this time

FROG SURVEY PANEL: SUMMER 2016 WASHINGTON STATE FERRY PERFORMANCE AND SATISFACTION SURVEY

The Commission heard the results of the summer 2016 Ferry Riders' Opinion Group (FROG) survey. The FROG research initiative in 2016 consisted of the following main phases:

- Winter Customer Survey Study (target audience: commuter riders) via FROG
- Freight Survey (target audience: WSF freight customers) via executive telephone survey
- Spring Reservation Study
- General Market Assessment Survey (target audience: Puget Sound (PS) basin and non-PS residents (non-PS) via VOWS
- Summer On-board Recreational Survey (target audience: Out of state riders)
- Summer Performance, Recreational, and Policy Study (target audience: commuter and social/recreational riders)

A total of 4827 ferry riders completed the 2016 Summer FROG performance, recreational and policy survey yielding a maximum sample variable of +/- 1.4% at the 95% confidence level.

A total of 7279 ferry riders completed the summer 2016 onboard recreational survey yielding a maximum sample variable of +/- 1.1% at the 95% confidence level.

The percentage of riders saying they are satisfied with the level of service provided by WSF during the summer months increased compared to 2014 (64% vs. 60%). Onboard survey respondents are more satisfied by a 22-point margin. The Fauntleroy/Vashon route, Fauntleroy/Southworth, and Mukilteo/Clinton routes all have higher dissatisfaction rates than the overall level of satisfaction. The greatest positive shift from 2014 by route has been among Anacortes/San Juan Island and Southworth/Vashon.

The percentage of riders saying WSF is a "good" or "very good" value in the summer period has increased slightly compared to 2014 (73% vs. 68%).

Overall good value is up from summer 2014 across all routes but Fauntleroy/Southworth, with most significant increases among riders using Point Defiance/Tahlequah, San Juan Inter Island, Anacortes/San Juan Island and the Southworth/Vashon routes.

Almost all respondents are likely to use WSF again for a recreational or social trip. Better schedules and routes was the top mentioned way to increase the number of recreational or social trips. Better transit connections to and from ferry terminals was the top mentioned method of encouraging walk-ons by respondents. Three in ten (29%) say that the ferry schedule does not

match up with their needed train or bus connections. A third (34%) of respondents believe that the faster growth rate of vehicle fares has encouraged more travel as a foot passenger or carpool.

Seating is the top complaint among people who are dissatisfied with terminals. Dissatisfaction with WSF crews giving loading directions is highest on the Point Defiance/Tahlequah, Fauntleroy/Vashon, and Inter Island routes. Onboard, the top complaint is unclean bathrooms.

WSF Summer Ferry Performance

Action: None

Follow-Up: None at this time

WASHINGTON STATE FERRIES 2017 TARIFF DEVELOPMENT

After receiving a revenue target from the Legislature, the Transportation Commission sets ferry fares each biennium to achieve revenue and policy objectives. Washington State Ferries staff gave an overview of the policies and considerations that have shaped past development of fare setting for the 11 routes in the WSF system.

Roles and responsibilities:

- The Transportation Commission is responsible for adopting fares through rulemaking.
- WSF is responsible for conducting reviews of fares, and developing a fare proposal for submittal to the Commission for their consideration.
- The Ferry Advisory Committee on Tariffs (FAC-T) provides guidance to WSF as it develops its fare proposal for the Commission. The FAC-T membership includes Ferry Advisory Committee chairs or their designees, and modal interests such as transit, freight and tourism.

Fare-setting schedule:

- November 2016 –June 2017: FAC-T meetings
- Late April 2017: Establishment of fare revenue target in transportation budget
- By May 3, 2017: File CR 101 notifying the opening of the tariff WAC sections
- Mid/late May: WSF provides fare proposal to Commission
- By June 21, 2017: File CR 102 form with Commission fare proposal
- June/July 2017: Public comment period for Commission fare proposal
- July 25, 2017 or later: Commission holds adoption hearing on tariff proposal
- By August 31, 2017: File CR 103 with final amended tariff
- October 1, 2017: Adopted fares go into effect

Changes implemented last cycle:

- Average general fare increase of 2.5%
- Passenger/vehicle fare ratio – 1.5% spread in both the 2015 and 2016 fare modifications
- Over-height surcharge eliminated for vehicles below 22' in length, two-height based fares at the 22'-30' length category, and modified height threshold from 7'6" to 7'2"
- Over-height exemptions for vehicles carrying disabled passengers clarified in WAC

- Fare increase in 2016 on May 1, instead of Oct. 1 to generate revenue to offset the lower passenger fares and removal of the over-height surcharge for vehicles under 22' in length

Issues under review this tariff cycle:

- Effectiveness of demand management strategies over the last few tariff cycles:
 - Spreading of passenger and vehicle fares
 - Under 14' vehicle fare
- Methodology for the driver portion of the oversize vehicle fares
- Fare categorization of unique 2-and 3-wheeled vehicles
- School group flat fee level and application to home school customers
- Cumulative impact of annual fare increases
- International route market screen
- WAC language changes:
 - In-need organizations
 - Fire district fares
 - Commercial accounts
 - Changes to prohibit Wave2Go resale
 - Clarifications around capital surcharge

Next Generation ORCA also is a consideration, but not likely part of the 2017 fare proposal. WSF has committed to collecting feedback on becoming part of the regional transfer program.

Greg Beardsley, FAC – T Chair, expressed concern about continuing the fare increase differential between vehicle and passenger fares. Fares have become an issue for the aging population on the islands and ferry riders who do not have transit access. The summer surcharge also is steep for island residents.

[WSF Fare Setting Process and 2017/18 Tariff Cycle](#)

Action: None

Follow-Up: *Continue to engage with WSF to prepare for fare setting after enactment of the 2017 – 2019 biennial budget.*

WSDOT SECRETARY'S REPORT

Roger Millar, Secretary of Transportation, WSDOT, spoke about the need to drive safely and recognize the safety of workers on the road, whether in a construction zone or snowplowing the road. Today, Snoqualmie Pass is closed and SR 14 in the Columbia River Gorge is closed.

Yesterday the Resiliency Subcabinet met to discuss how to prepare and respond to the eventual Cascadia Subduction Zone quake. It was a good start to a statewide discussion.

As of today, the tunnel-boring machine is 75% of the way through. Still 2-1/2 years behind the original schedule and the ribbon cutting will take place when the project is finished.

Hard shoulder running on I-405 Northbound Electronic Toll Lane (ETL) will be open spring 2017 less than a year from concept to opening.

WSDOT has posted weight limits on the Northport Bridge, and is monitoring the Elwha River Bridge.

Action: None

Follow-Up: None at this time

2017 COMMISSION TOLLING REPORT

Carl See, Senior Financial Analyst, WSTC, provided an overview of the Commission Tolling Report.

The report summarizes the Commission's 2017 tolling plans, reviews 2016 Commission actions, and includes tolling-related recommendations by facility. Additional sections are dedicated to:

- Commission's preliminary decision on revising the Tacoma Narrows Bridge (TNB) Sufficient Minimum Balance (SMB) Policy
- Commission work and recommendations on Future Tolling Facilities and on Toll System Operations and Planning

Tacoma Narrows Bridge Recommendations:

- Consider change to SMB Policy from 12.5% of annual costs to a flat \$10 million.
- Explore approaches to subsidizing debt service or significant periodic costs.

I-405 ETL & SR 167 HOT Lane Recommendations

- Continue operation of SR 167 HOT Lanes
- Invest surplus I-405 ETLs toll revenue to improve performance in single-lane section

Toll System Operations and Planning Recommendations:

- The Commission supports the distribution of back office system re-procurement costs to include the SR 99 Tunnel
- The Legislature should direct development of a strategic tolling policy plan setting a path forward on tolling into the future

[2017 Tolling Report](#)

Action: None

Follow-Up: None at this time

PASSENGER FERRY SERVICE

Passenger ferry service is on its way back. King County's successful water taxi and the San Francisco Bay Area water taxis set the stage for new passenger ferry service across Puget Sound.

The Marine Division, King County Department of Transportation, operates the King County Water Taxi. The mission of the Marine Division is to provide safe, reliable, efficient, environmentally sound, customer-friendly, and fiscally responsible passenger-only ferry services to the public and establish waterborne transportation as a viable alternative mode of transportation in support of regional mobility and a high quality of life in King County.

The Vashon Island service follows the former WSF Route. Service was initiated in 2009 operates Monday – Friday for the morning and evening commute. West Seattle ferry service began in 2010 operating daily mid-day, extended evening, and weekend service from April – October, Monday – Friday for the morning and evening commute year round.

The annual operating budget for the water taxi is \$7.6 million. The fare-box recovers 31.5% of operating expenses; the remainder of costs are covered through a property tax levy subsidy.

The Seattle Pier 50 facility and the Vashon Terminal facility are leased from WSF. The new Colman Dock terminal will allow passenger ferry queuing for about 500 people.

The King County Council has not taken action on a study of Ferry Service Expansion that looked at other possible routes:

- Kenmore to University of Washington
- Kirkland to University of Washington
- Ballard to Downtown, Pier 50

Water taxis can play a role in emergency response. Water taxis and other boats evacuated about a half million people off Manhattan on September 11, 2001. The ferry Snohomish, built for WSF, has a bow that can nest at WSF docks.

Is there competition between King County Water Taxi and WSF? No, two of the three Vashon sailings nest with WSF arrivals and assist in Southworth connections.

Bruce Agnew, Director, Cascadia Center, shared lessons from the San Francisco Bay ferries:

- 2006: Cascadia legislative tour of San Francisco passenger ferries
- 2007: San Francisco Water Emergency Transportation Authority (WETA) created by California Legislature to supersede 1999 WTA
- 2009-2015: Nichols Bros, Kvichak and Dakota Creek build WETA vessels with advanced environmental features
- Fall 2017: Cascadia plans a San Francisco Bay ferry resiliency tour with state leaders WETA/San Francisco created by the California State Legislature in 2007 (Senate Bill 976) – formerly Water Transit Authority (1999)
- 1989 Loma Prieta earthquake: WETA is now responsible for coordinating and providing ferry transportation in emergencies or disasters
- Golden Gate (San Francisco to Sausalito/Tiburon/Larkspur) and San Francisco Bay Ferry system's carry 16,000 passengers now with 35,000 planned
- 20 public ferries serve 8 cities – 44 vessels on 12 routes with 16 terminals (future)
- Operating funds from Regional Measure 2 – including a \$1 (2004) toll increase on Bay Area bridges, fares, state and federal funding

Recommendations:

- The State should add resiliency role for public and passenger ferries – Cascadia Subduction Zone – with front loading emergency vehicle access
- Update 2007 Puget Sound Regional Council passenger ferry study – connect other counties (Jefferson/Island/San Juan). Congested I-5 corridor - north south feasibility
- Change Transportation Innovative Partnership law to allow public private partnership to expand Colman Dock, along the lines of the Port of San Francisco/Ferry Building.

[King County Water Taxi](#)
[Return of the Mosquito Fleet](#)

Action: None

Follow-Up: Invite Kitsap Transit to brief the Commission on its passenger ferry plans.

SR 167 / SR 509 GATEWAY PROGRAM

The Gateway Program, funded in the 2015 Connecting Washington package, will complete SR 509 & SR 167 connections with I-5. The program provides more direct links from the state's largest ports to the distribution centers in the region and to Eastern Washington, providing direct access to Seattle-Tacoma International Airport from the south for both passenger and air cargo.

Total funding is \$1.875 billion; this amount assumes (\$310 million) local match and tolling funding (\$180 million). WSDOT submitted an application on December 15, 2016 seeking a FASTLANE grant of \$114.4 million.

[SR 167 and SR 509 Completion Projects](#)

Action: None

Follow-Up: *Continue to engage with WSDOT and its Gateway Program.*

DEVELOPMENTS IN PUBLIC TRANSPORTATION

WSDOT provided an overview of public transportation agencies and programs statewide, followed by a Puget Sound Regional Council (PSRC) Report on integration and coordination efforts by public transit agencies in Central Puget Sound.

WSDOT reported on 31 transit agencies, 15 community transportation providers, 6 Apple Health transportation brokers, 4 Intercity Bus Programs, 8 ferry systems, and the Seattle Monorail, which combined account for 257 million passenger trips per year.

About 84% of the state's population lives within a transit served area. Passenger trip totals were flat over 2010 – 2015 despite the recession. From 2010 – 2015, public transportation saw an 8% increase in ridership.

Alex Krieg, Senior Planner, Puget Sound Regional Council, reported on the 2016 PSRC Transit Integration Report. In 2011, PSRC's Executive Board directed the Transportation Policy Board to address regional transit coordination. The Report looks at five items:

1. Transit Organization
2. Transit Agency Coordination
3. Transit-Land Use Coordination
4. Transit Performance Measures
5. Transit Funding Needs

Recent integration activities include:

- U Link bus-rail integration
- ORCA LIFT, launched in March 2015 on King County Metro & Link and expanded to all Sound Transit services in March 2016
- Going to Boeing Commuter Map, a collaborative Boeing, Everett Transit, and Community Transit product
- Open Transit Data

Cost savings from integration include Optimizing bus storage and call center integration in Snohomish County.

[2015 Public Transportation Summary](#)
[Puget Sound Regional Council Transit Integration](#)

Action: None

Follow-Up: None at this time

2017 OFFICE OF FINANCIAL MANAGEMENT TRANSPORTATION PERFORMANCE ATTAINMENT REPORT

Jay Balasbas, Senior Budget Analyst, Office of Financial Management, reported the Biennial Transportation Attainment Report provides areas of improvement and challenges to be addressed in the statewide transportation system.

They provide:

- Assessments of progress on the transportation goals and performance of the transportation system
- System-wide performance, not agency-specific
- High-level indicators for each measure presented to allow for a quick assessment of progress
- Information used to make investment decisions and to develop strategies and programs within agencies

System improvements since 2014:

- Reduced passenger injuries on ferries
- Increased amount of pavement in fair or better condition on the NHS
- Reduced amount of structurally deficient bridges by deck area

- Increased Amtrak and ferry ridership
- Improved access to potential habitat for fish
- Increased transit use resulting in more vehicle miles avoided

Where challenges remain:

- Rising traffic, pedestrian and bicyclist fatalities
- Slightly increased time that ferry vessels are out of service
- Increased demand on the transportation system as a result of population growth
- Reduced percent of Nickel and TPA projects delivered on time
- Increased annual weekday delay in the central Puget Sound region's major urban highways

Factors influencing transportation system demand include:

- State population reached just more than 7 million in 2015; 4.3% growth since 2011; 45.1% growth since 1990
- Number of housing units increased by 105,000 from 2011 through 2015
- Non-farm employment has grown from 2.8 million workers in June 2011 to 3.1 million in June 2015; 9.5% increase
- Vehicle ownership has grown faster than the state population; 7.3 million registered vehicles compared to 5.6 million issued drivers' licenses in December 2015
- Number of licensed drivers increased on average by 100,000 per year from 2011 to 2015; 7.4% total increase

[2016 Transportation Attainment Report](#)

Action: None

Follow-Up: None at this time

TRANSPORTATION COMMISSION

ABSENT

JERRY LITT, Chairman

ROY JENNINGS, Vice-Chairman

ABSENT

SHIV BATRA, Member

HESTER SEREBRIN, Member

JOE TORTORELLI, Member

ABSENT

DEBBIE YOUNG, Member

VACANT

ATTEST:

REEMA GRIFFITH, Executive Director

DATE OF APPROVAL