



Virtual Meeting Summary
May 19, 2020

Chair Jerry Litt opened the meeting at 9:00 am with introductions by Commissioners.

Commission Business

Commissioner Young moved adoption of the February 19 & 20, 2020 meeting summary. Commissioner Restucci seconded the motion and it was approved unanimously.

ACTION: The February 2020 meeting summary was unanimously approved.

Reema Griffith introduced Tamara Jones, the new Senior Policy Analyst on the Commission Staff. The fiscal analyst position remains open and recruitment is on hold given the expected budget shortfall due to impacts from the pandemic.

We continue to wait to hear from USDOT about the Road Usage Charge Federal Grant. We plan to resubmit the application in time for the next due date this summer, with final grant awards expected to be made later this summer (by end of September 2020).

Paul Parker, Deputy Director, Washington State Transportation Commission, reported that the Commission staff will monitor conditions and consult with Commission leadership on when the Commission will meet in person next. Planning is underway for a virtual Bellingham meeting in June, which probably will be on the afternoon of June 16 and the morning of June 17. The Wenatchee meeting that was cancelled will be rescheduled for 2021.

Reema Griffith, Executive Director, Washington State Transportation Commission, provided an update on the schedule for the Autonomous Vehicle (AV) Work Group Executive Committee. A virtual meeting took place on May 6. It will meet three more times during 2020 on Wednesday, June 24 (virtual meeting); Thursday, September 24; and Thursday, November 12. Permission was granted by the Transportation Committee Chairs to submit final AV Work Group report to the Legislature in January 2021, instead of November 2020. Also, the AV Work Group executive committee agreed at the May meeting to add industry panels at each meeting, at the request of Bryan Mistele (CEO, INRIX).

At the June Commission meeting, you will be asked to take action on a request by the Skagit County Sheriff to name two portions of SR 20 for law enforcement officers who died in the line of duty: Washington State Trooper Thomas Hendrickson and Skagit County Sheriff's Office Deputy Al Hultgren. A packet about the request will be provided to the Commissioners electronically.

Traffic during the Covid-19 Pandemic

Ted Trepanier, Senior Director, Public Sector Services, INRIX, presented information on world-wide traffic demand changes due to the COVID-19 virus. INRIX, a Kirkland-based company that analyzes traffic data from road sensors and vehicles, has much more data today than in past years due to the growth in data directly from vehicles and GPS sensors. In addition to real-time speed and congestion information, INRIX trip data enhances its ability to identify national, state and local road usage trends.

Mr. Trepanier explained that traffic patterns are a leading indicator of the return of the economy. There will be progress in the traffic data before other economic reports. Even in the peak of people staying at home during the pandemic, freight traffic remained at high levels, compared to significant drops in passenger vehicle traffic. Seattle long-haul traffic in mid-May is 98% of normal.

INRIX data does not reflect telecommuting, so we cannot reflect what the “new normal” may be. It is useful to compare metro areas and the relative rebound in traffic. INRIX can report on traffic by county or zip code nationally. One of the first states that wanted zip code data was North Dakota. Rural areas had less virus impact and fewer options for alternatives.

WSDOT also monitors traffic patterns on state highways and ferries. Keith Metcalf, Deputy Secretary, Washington State Department of Transportation, demonstrated WSDOT’s COVID-19 Multimodal Transportation System Performance Dashboard. The WSDOT Dashboard does not report on traffic outside of the urban Puget Sound, Vancouver, and Spokane areas.

Commissioner Serebrin would like to hear at a future Commission meeting, how transit agencies are responding to COVID.

Trip Trends in the U.S. during COVID-19 Pandemic

Action: None.

Follow-Up: None at this time.

Tolling Update

Ed Barry, Director, Toll Division, Washington State Department of Transportation provided an update on traffic and revenue for toll facilities for July 1, 2019 to April 30, 2020. He compared data pre-COVID and post-COVID.

Totals for FY 2020 to date (July 2019 – April 2020):

Total toll transactions were 45.7 million, 11.1% below forecast. Total toll revenues were \$158.5 million, which is \$19.7 million (or 11%) below forecast.

FY 2020, Pre-COVID-19 (July 2019 – February 2020):

Toll transactions were 40.5 million, 1.3% above forecast. Toll revenues were \$140.6 million, which is \$900,000 (or 0.6%) above forecast.

Key COVID-19 related dates and initiatives:

- February 29: State of Emergency

- March 12: Schools closed
- March 16: Ban 50+ gatherings
- March 25: Governor issues Stay Home, Stay Healthy Order

March and April 2020:

Toll transactions were 5.2 million, 54.3% below the forecast. Adjusted gross toll revenues were \$17.8 million, which is \$20.7 million (or 53.8%) below the forecast.

Tacoma Narrows Bridge FY 2020 July-April forecasted and reported toll traffic

- Total reported toll transactions were 6.8% below forecast
- Pre-COVID-19 reported toll transactions were 0.6% above forecast through February
- Total reported adjusted gross toll revenue was 5.2%, or \$3.5 million, below forecast through April
- Pre-COVID-19 reported adjusted gross toll revenue was 1.9%, or \$1 million, above forecast through February

SR 520 Bridge FY 2020 July-April forecasted and reported toll traffic

- Total reported toll transactions were 16.4% below forecast through April
- Pre-COVID-19 reported toll transactions were 4.2% below forecast through February
- Total reported adjusted gross toll revenue was 16.5%, or \$11.9 million, below forecast through April
- Pre-COVID-19, reported adjusted gross toll revenue was 4.8%, or \$2.7 million, below forecast through February

I-405 Express Toll Lanes FY 2020 July-April forecasted and reported toll traffic

- Total reported toll trips were 16.7% below forecast, 3.1% below pre-COVID
- Total reported toll-exempt trips were 15.5% below forecast, 2.0% below pre-COVID
- Total reported trips (toll & exempt) were 16.3% below forecast, 2.7% below pre-COVID
- Total reported adjusted gross toll revenue was 13.8%, or \$3.3 million, below forecast through April
- Pre-COVID, reported adjusted gross toll revenue was 4.6%, or \$862,000, above forecast through February

SR 167 HOT lanes FY 2020 July-April forecasted and reported toll traffic

- Total reported toll transactions were 11.7% below forecast through April
- Total reported adjusted gross toll revenue was 19.8%, or \$800,000, below forecast through April

SR 99 Tunnel FY 2020 November-April forecasted and reported toll traffic

- Total reported toll transactions were 8.4% above forecast through April
- Pre-COVID reported toll transactions were 38.8% above forecast through February
- Total reported adjusted gross toll revenue was 1.1%, or \$110,000, below forecast through April

- Pre-COVID reported adjusted gross toll revenue was 29.3%, or \$1.9 million, above forecast through February

Normally, independent traffic and revenue consultants update the forecasts for each toll facility every November. Due to COVID-19, this June forecast will include updates for all facilities. The projections will be extrapolated from recent actual traffic and revenue data, with assumptions defining how they're projected forward. The assumptions are not yet defined, and will be decided after the May 21 forecast assumptions meeting. WSDOT will use the information from the updated June forecast to evaluate actions that may be needed for toll facilities.

Jason Richter, Deputy State Treasurer, Office of the State Treasurer, reported on the status of meeting SR 520 bridge financial requirements. Certification that the SR 520 Bridge is meeting financial requirements is on hold with the uncertainty caused by the COVID-19 pandemic. The pre-COVID revenue forecast does not provide an accurate picture for future traffic and revenues, so unable to complete analysis. Will update as information becomes available. There are some financial safeguards in place, such as the revenue stabilization account, that can help maintain compliance with financial requirements. Overall, suspects we will be able to meet revenue needs at current rates because of the established financial reserves and flexibility.

Carl See, Senior Financial Analyst, Washington State Transportation Commission, reported on the Tacoma Narrows Bridge (TNB) Fund balance. Mr. See noted that the TNB Sufficient Minimum Balance (SMB) requirement is a WSTC policy that requires the TNB Account maintain a minimum fund balance. Its purpose is to buffer against unexpected revenue loss that is not covered by the TNB insurance policy. The minimum fund balance requires an average fund balance of at least \$10 million over the past three months to remain in compliance. Using the rolling 3 month average fund balance to measure SMB compliance addresses expected fund balance fluctuation during the year.

As intended, the SMB policy has provided a buffer against this unexpected COVID revenue loss, but the fund balance is being depleted. Traffic loss of 30 - 40% below expectations has led to steep revenue declines, while costs remained largely stable. The fund balance is in compliance with the SMB policy through April 2020, but may be out of compliance by June 2020, the end of the current fiscal year. The fund balance is at risk of being negative during the current biennium (through June 2021) with COVID impacts.

What is required of the WSTC if the TNB fund balance is not in compliance with the SMB policy?

- The SMB policy requires the WSTC to identify measures that may address the projected shortfall. Some combination of measures may be necessary as a solution
- Projected size of revenue need will be clearer after the revenue forecast updates in June 2020, and again in November 2020

Option 1: Secure additional funds from Motor Vehicle Account or other source.

- Current law establishes legislative intent to provide loans that maintain toll rates at current rates, except for up to a \$0.25 rate increase no earlier than July 2021

- Possible grants of funds to the TNB Account, if a Federal aid program made funds available
- Impact of pandemic on gas tax revenues may limit willingness/capacity of Legislature to address the funding gap with additional funds

Option 2: Commission increases toll rates.

- Rate increase would likely be no sooner than spring 2021 to provide the Legislature with the opportunity to address the shortfall
- Reliance on raising toll rates may result in a significant burden on toll payers

Next Steps:

Spring-Summer 2020:

- May – June: Assess TNB fund balance compliance against the SMB policy based on the June transportation revenue forecast
- June – July: Report back to the Commission on projected revenue shortfall and options to address it
- Continue to monitor changes to TNB traffic, costs, and revenues

Fall 2020 – Winter 2021:

- Develop funding options for the Legislature as part of TNB Loan Report
- Begin consideration of rate setting process, as needed
- Rate increase of \$0.25 currently assumed for July 2021

Carl See also reported on the progress of the legislatively directed study to assess the impacts of tolling on low-income drivers of the I-405/ SR 167 Express Toll Lanes (ETLs), and determine possible approaches to mitigating such impacts. The I-405/SR 167 ETLs include two of the five existing state toll facilities.

SR 167 HOT Lanes/ETLs opened in 2008 from Renton to Auburn, with an extension opening in 2016. I-405 ETLs opened in 2015 from Bellevue to Lynwood. By about 2025, ETLs will extend on I-405 from Bellevue to Renton and on SR 167 to Puyallup, creating a 50-mile long ETL corridor.

This study will include the following:

- National scan of implemented and considered low-income tolling programs
- Research of existing capacities for implementing a low-income toll program for the facilities, and of existing financial and performance commitments
- Assessment of low-income populations who use the I-405/SR 167 ETL facilities, and their potential benefits/challenges from a low income toll program
- Evaluation of impacts on tolling policies, traffic performance, revenues, costs, operations, and enforcement
- Final report with recommendations to the Legislature in June 2021

Tasks nearing completion include:

- National scan of enacted and considered low-income toll programs and tool kits. (Task 1-2)
 - Identify toll discount program attributes
 - Understand factors on why program(s) did not get implemented
- Outreach to existing low-income programs in our region, such as for transit (ORCA LIFT) and public utilities. (Task 1-2)
 - Assess methods to determine program eligibility
 - Learn about barriers to access for low-income communities
 - Identify potential community partnerships for implementation

Tasks underway during the next 2 months include:

- Interview implementing agencies to understand costs and opportunities (Task 3)
- Identify existing financial commitments and performance requirements (Task 4)
- Assess data about low-income communities in central Puget Sound region (Task 5)
- Identify criteria for WSTC selection of toll options for further analysis (Task 6)

Commissioner Young asked if the pandemic will complicate data collection and analysis. It was a challenge even before the pandemic. Carl See noted that the study team still anticipates capacity to receive necessary data, but may include recommendation to the Legislature for additional outreach before moving forward with implementation, and looking to include additional information in the report on lessons learned from the pandemic, as appropriate.

Commissioner Serebrin asked about some initial takeaways. Carl See noted that the national scan has made clear that there are few comparable programs, with no exact comparison. Locally, the study has identified some program elements that may be helpful, such for determine program eligibility, but as local examples are for other purposes, such as for transit, lessons so far are less applicable to setting low-income rates effectively for a toll facility.

[Toll Facilities Traffic and Revenue](#)

[Updates on Tacoma Narrows Bridge Sufficient Minimum Balance & I-405/SR 167 ETLs Low-Income Toll Study](#)

Action: None.

Follow-Up: None at this time.

Washington State Ferries Update

As people have stayed home in efforts to reduce the spread of the COVID-19 virus, traffic volume on Washington State Ferries (WSF) has dropped significantly. Stephanie Cirkovich, Director, Community Services and Planning, Washington State Ferries, WSDOT briefed the Commission on service changes made to maintain safe and efficient ferry service.

Ridership as of Early May

- Ridership “hit bottom” in late March and has been increasing slightly
- Total ridership about 40% of normal
- Vehicle ridership about 50% of normal

- Foot passengers about 10% of normal

Current Status (2nd week of May)

- WSF operating on baseline “winter” service schedule through at least June 20
- In addition, several routes on reduced service (below winter levels)
- No service between Anacortes and Sidney, B.C.
- Restoration of, or additional service on, these routes dependent upon vessel and crew availability, ridership demand, and budget

Ray Deardorf, Senior Planning Manager, Washington State Ferries, WSDOT reported on WSF ridership and fare revenue, comparing March and April 2020 to the forecast.

	February Forecast	Actual	Difference
March Ridership	1.93 million	993,000	(937,000)
April Ridership	1.95 million	522,500	(1,427,500)
March Fare Revenue	\$14.97 million	\$8.78 million	(\$6.19 million)
April Fare Revenue	\$15.22 million	\$5.28 million	(\$9.97 million)

Truck traffic did not drop nearly as much as passenger traffic. Foot traffic declined the most.

Next Steps:

- The October 1 and May 1 fare increases were expected to bring in \$8.53 million additional revenue in FY 2021.
- WSF will be working with WSDOT and OFM to update revenue forecasts
- Will provide an initial estimate of difference from the February 2020 forecast

Updated Ridership and Fare Revenue Forecasts

- Forecast methodology and assumptions – May 21
- June 2020 forecast adoption – June 17
- Will include actual ridership and revenue through May

Commissioner Young asked if the service reduction provides WSF an opportunity to catch up on maintenance. It is a challenge because Eagle Harbor and the commercial shipyards have been closed. There is a backlog of required maintenance at Eagle Harbor and progress is complicated due to the additional safety precautions that are required.

[Preliminary Impacts of COVID-19](#)

Action: None.

Follow-Up: None at this time

Ferry Riders’ Opinion Group 2020 Survey Update

Chelsea Banning, Director, Design and Analysis, Pacific Market Research briefed the Commission on the updated 2020 survey schedule for the Ferry Riders' Opinion Group (FROG). The schedule was revised due to reduced ridership from the COVID-19 virus, as follows:

- Winter Performance 2020: Cancelled, in lieu of a Pandemic Impact study
- Freight Survey: moved from Spring 2020 to Spring 2021
- Summer On-board Recreational Survey: moved from Summer 2020 to Summer 2021
- Summer Performance: moved from Summer 2020 to Summer 2021
- Winter Performance 2021: will be done in Spring 2021, as planned

The Pandemic Impact Study is expected to take place after stay at home orders are lifted and the community has resumed some level of public movement. It has two objectives:

- Measure changes in travel patterns (trips taken, mode of transportation to/from terminals, walk or drive on etc., pre vs current) and intentions and barriers for near term WSF usage
- Understand online media habits (supports FROG panel social media recruitment efforts.)
- Optional: fare increases/freezes, schedule changes, cutbacks or other special interest topics

The FROG panel recruitment with social media will include experimentation with targeted ads. It is not a replacement for on-board recruitment. The goals are:

- Determine effectiveness/cost per recruit and ability to recruit younger ferry riders
- Ensure the ongoing health and viability of the FROG panel (given the extended amount of time without panel recruitment)

Chair Litt noted that this work will be important in identifying the new normal.

[Washington State Ferries 2020-2021 Performance & Experience Research](#)

Action: None.

Follow-Up: None at this time.

Reflections and Recommendations

Commissioner Young reflected that we are in a holding pattern. It is good to see some data coming in. The webinar meeting went well; it would have been nice to see more presenters.

Commissioner Serebrin noted that it is exciting to see so many attending the meeting. She would like to see more virtual engagement. Wants to hear more about how people are getting around in cities for safe and sustainable travel. Municipal broadband is an important option.

Chair Litt wondered how many people will have the opportunity to work from home remotely.

Commissioner Jennings has appreciated being updated daily on the travel information during the pandemic.

Commissioner Batra is concerned about the prolonged effect on the economy. The low-income tolling study is timely. He also is concerned about the future of tolling facilities. He hopes that the State Treasurer is not withholding bad news.

Commissioner Restucci reflected that the data from INRIX and WSDOT will be very important as we move forward. He is concerned about the tolling revenue, but it looks like things will be okay in long run. He is pleased to see the proposal for moving forward with highway naming's. It is important to get back to normal business.

Commissioner Young reflected that there is tension in rural areas about keeping closed vs. reopening during the pandemic, but some are looking to the transportation system as a potential gatekeeper for keeping rural communities safe from the virus, such as the ferry system.

Reema Griffith notes interest in continuing to learn and apply lessons on how to conduct these virtual meetings, and how they can provide additional access compared to in-person meetings, while not necessarily replacing the value of the in-person connections.

Paul Parker thanked everyone for the thoughtful reflections and suggestions, and teased upcoming meetings, including potential conversation about pandemic impacts on transportation.

Carl See clarified for Commissioner Batra that the State Treasurer has been working closely with Commission staff to update financial models, and to understand future implications. The State Treasurer expects to be ready to share updated information after applying assumptions and analysis from the June 2020 Transportation Revenue Forecast. That helps ensure the information will be current and reliable. Reema adds that we're working with WSDOT to schedule a special meeting to brief the Commission on the June forecast. Also notes the possibility of a special session of the Legislature.

The Commission will schedule a special meeting in late June/early July for an update on the revenue forecast.

Next Meeting June 16 & 17, 2020

Virtual Local Meeting – Bellingham and the Regional Area

TRANSPORTATION COMMISSION

JERRY LITT, Chair

ROY JENNINGS, Vice-Chair

SHIV BATRA, Member

JAMES A. RESTUCCI, Member

HESTER SEREBRIN, Member

DEBBIE YOUNG, Member

ATTEST:

REEMA GRIFFITH, Executive Director

DATE OF APPROVAL