



**Washington State
Transportation Commission**

**Olympia Meeting Summary
July 7, 2020**

Chair Jerry Litt opened the meeting at 9:00 am with introductions by Commissioners, an overview of the agenda, and virtual meeting protocols.

State Transportation Revenue Forecast

**Doug Vaughn, Chief Finance Officer, Washington State Department of Transportation
Ed Barry, Director, Toll Division, Washington State Department of Transportation
Ray Deardorf, Senior Planning Manager, Washington State Ferries, Washington State Department of Transportation**

Washington State Department of Transportation (WSDOT) staff provided an overview of the transportation revenue forecast, as well as, specifically addressing the forecasts for tolling traffic volumes and revenue, and ferry ridership volumes and revenues. Due to COVID-19 impacts, it is estimated that it will take four years for gas revenues to return to levels that were forecast in February, 2020.

Toll Facilities

The June 2020 adopted forecast (FY 2020 to FY 2029) was the first official effort to provide updated toll revenue estimates post COVID-19. The June forecast update was developed by WSDOT Toll-Division staff who worked closely with the statewide Traffic & Revenue consultant (Stantec) to determine key traffic and revenue assumptions. Revenue forecasts will be updated in September and November 2020 as part of the official state forecast process.

There have been severe impacts on toll revenues (March to May 2020) due to COVID-19. During these three months, toll transactions were \$7.8 million, which was 54.7% below the November 2019 forecast. Reported toll revenues were \$26.6 million, which were \$31.6 million (or 54.3%) below the February forecast.

The next forecast update from the State Transportation Revenue Forecast Council is due September 23rd and then again on November 18th.

Washington State Ferry (WSF) Ridership and Fare Revenue Forecasts

Ferry service has been modified in response to impacts of COVID-19 and ridership has significantly dropped during the pandemic. As of the 1st week of July, there is no service between Anacortes and Sidney, B.C. Several routes are on reduced service. There are intermittent reductions on other routes depending on crew availability. Restoration of base

service is dependent upon the following factors as identified in the WSF COVID Response Service Plan:

- Ridership
- Vessel availability
- Crewing availability
- Ridership
- Budget

WSF uses a complex econometric model to forecast ridership and fare revenue. The forecast is updated quarterly for adoption by the State Transportation Revenue Forecast Council. Fare revenues for the 2019/2021 biennium are forecasted to be \$323 million, down \$93 million from the \$416 million forecasted in February 2020. With changes in travel behavior, it appears that people are not using the ferries enough to justify the use of “frequent rider” passes which bring fare discount benefits, creating rippling impacts for commuters and local businesses.

It was noted that travel data is being collected and reviewed to help inform revenue forecasting. WSDOT is collecting data on traffic volumes, ridership on ferries and Amtrak rail, and active transportation, as well. This information is available to the public via the WSDOT’s “COVID-19 Multimodal Transportation System Performance Dashboard” online (<https://www.wsdot.wa.gov/about/covid-19-transportation-report/>).

There are questions emerging that will take some time to find answers. For example, to what extent will people keep teleworking, in ways that they did not before? Large and small businesses are exploring telework in ways that they haven’t before. This has a lot of impacts beyond revenue impacts. Additionally, bicycle and pedestrian traffic increased about 200%. A lot of people are exploring their neighborhoods on foot and on bike, doing business closer to home, etc.

[State Transportation Overview Revenue Forecast](#)
[Toll Traffic Revenue Forecast Summary](#)
[WSF Revenue Forecast](#)

For more detail on agenda item 2, please refer to the [TVW Meeting Recording - July 7](#), which starts at 00:05:15, on the progress bar found at the bottom of the screen.

Action: None.

Follow-Up: None at this time.

Transformations to Mobility Experience after COVID-19

Devin Liddell, Principal Futurist, Teague

Mr. Liddell presented on the Pre-COVID vs post-COVID world and possible changes that may emerge effecting our transportation system, and specifically the aviation/airport industries. There will be visible, clear, and distinct markers of the change and in fact many changes are happening in the transportation world internationally.

For example, touch screens are already starting to disappear in some airports and there is marked growth in testing approaches to creating a “touchless” travel experiences while at the airport where minimal to no touching occurs on common surfaces, including expanding automation, and gesture-based programs. This change-trend will lead to a proliferation of robots, drones, and artificial intelligence (AI) powered interactions with the traveling public.

Transportation systems will address health threats and aid in containing them via technology. Traditional transportation hubs will become more decentralized to reduce crowd concentration. While efforts like this will increase safety, it is also expected to increase traveler anxiety. This needs to be watched closely to properly address it and minimize it.

Racial injustice is important and needs to be included in the evolution of travel safety. There are, for example, challenges with facial recognition with racial bias. There is also an emerging gulf between the haves and have-nots when it comes mobility and access to transportation. As technology advances under the guise of increasing public safety and health, we must constantly balance that with ensuring equal and fair access.

[Transportation Post COVID-19](#)

For more detail on agenda item 3, please refer to the [TVW Meeting Recording - July 7](#), which starts at 00:56:24, on the progress bar found at the bottom of the screen.

Action: None.

Follow-Up: None at this time.

The Future of Transportation Post-COVID – Opportunities & Challenges Explored

Panel Moderator: Sabrina Minshall, Executive Director, Spokane Regional Transportation Council

Panel Members:

Christine Gregoire, CEO, Challenge Seattle & Former Washington State Governor

Mark Hallenbeck, Director, Washington State Transportation Center (TRAC), University of Washington

Susan Shaheen, Ph.D., Director, Resilient and Innovative Mobility Initiative, University of California Institute of Transportation Studies & Professor, Civil and Environmental Engineering, University of California, Berkeley

Chris Mefford, President & CEO Community Attributes

Experts provided perspectives on how COVID-19 has and will impact the future of transportation and provided insights into what public officials and decision makers should be considering going forward.

Christine Gregoire, CEO, Challenge Seattle & Former Washington State Governor

Challenge Seattle’s membership consists of many of the Seattle area’s largest and most recognizable employers from private and non-profit sectors. Challenge Seattle has been working

on a conceptual proposal aimed at creating a mega-region referred to as the “Cascadia Innovation Corridor” between Portland and Vancouver, B.C. Through proactive planning and deliberate design of communities along this corridor, current and ongoing challenges related to affordable housing, traffic congestion, and vehicle emissions can be more effectively addressed in a systematic manner. This approach will result in the creation of a sustainable mega-region that would densify current urban centers, grow existing mid-size cities, build new “hub” cities, and connect it all via Ultra-High-speed Transportation & Broadband. The disruption caused by COVID provides a new opportunity to embrace this concept. This approach could likely reverse the region’s current path toward unaffordability and congestion.

Cascadia Innovation Corridor

For more detail on agenda item 4, please refer to the [TVW Meeting Recording - July 7](#), which starts at 01:31:28, on the progress bar found at the bottom of the screen.

Action: None.

Follow-Up: None at this time.

Mark Hallenbeck, Director, Washington State Transportation Center (TRAC), University of Washington

Before COVID-19, urban living was making a major comeback due to the inability to improve suburb-to-center commutes is causing “traditional” suburb-to-center commute to grow worse, resulting in the traditional suburban land use trade-off less attractive. Urban centers were becoming more attractive with many things to do within a short distance, such as easy participation in activities and access to health care. Companies like being in major centers, since this allowed interaction with employee peer groups, both within the same company and with other companies; improving idea generation and cross-team communication.

Since “Stay at Home” orders, we have seen a drastic and prolonged increase in telecommuting. Additionally, large urban employment areas have emptied, hurting service jobs; many employees have liked not needing to commute and have learned that telecommuting can be productive. We do not know what the future will look like; however, it is expected that many knowledge employees will work from home more often than before COVID. This is expected to have implications for land use: less office space needed downtown, lower transit use, and lower freeway congestion. We are already seeing some cities repurposing roads to accommodate and encourage active transportation.

Currently, American society and communities are designed to promote dependence on cars. Residential areas tend to be isolated and disconnected from retail, schools, and services often referred to as a suburban-style layout or design approach. This design approach increases car use and subsequently, congestion. This could be addressed or at least not added to, if new communities were developed using a “Neotraditional Street Layout,” mixing land use purposes and decreasing dependency on cars.

COVID-19 Outcome

For more detail on agenda item 4, please refer to the [TVW Meeting Recording - July 7](#), which starts at 01:50:00, on the progress bar found at the bottom of the screen.

Action: None.

Follow-Up: None at this time.

Susan Shaheen, Ph.D. Director, Resilient and Innovative Mobility Initiative University of California Institute of Transportation Studies & Professor, Civil and Environmental Engineering, University of California, Berkeley

The COVID-19 crisis has resulted in an economic recession causing devastating impacts on employment & transportation, including: reduced tax revenues; reduced public transit service; reduced traffic; reduced business and demand for shared mobility services; etc.

As we address the issues created by the COVID crisis, which includes social equity dynamics.

It is critical to understand the inter-relationships between: job and food access; housing; public health; and mobility. We need to ensure the lack of mobility does not exacerbate poverty and homelessness and enable and support public transit operators, cities, and private companies to advance mobility needs and strengthen economic resilience, particularly for the most vulnerable populations.

Impact of COVID-19

For more detail on agenda item 4, please refer to the [TVW Meeting Recording - July 7](#), which starts at 02:07:31, on the progress bar found at the bottom of the screen.

Action: None.

Follow-Up: None at this time.

Chris Mefford, President & CEO Community Attributes

There are three phases to the COVID Crisis, related to public health and economic productivity: Crisis Response (March – May 2020), No Vaccine or Treatment (June 2020 – Unknown), and Recovery (Unknown/Post-Vaccine - Into the future). Boeing is a significant indicator for the Puget Sound area economy. Boeing CEO Dave Calhoun has stated that it is expected to take “two to three years for travel to return to 2019 levels and an additional few years beyond that for the industry’s long-term trend growth to return.” At this time, the long-term economic impacts of COVID-19 are unknown, due to variables such as vaccine availability and consumer confidence and behaviors. Responding to COVID-19 has presented a period of accelerated changes and productivity while also highlighting other changes still needed:

- Recognition that public health is an economic imperative;
- Increase in small batch manufacturing, with a local emphasis;
- Distribution systems should invest more in last-mile infrastructure; and
- Drastic increase of online tools and more investment in remote office platforms.

COVID-19 Economic Impact

For more detail on agenda item 4, please refer to the [TVW Meeting Recording - July 7](#), which starts at 02:31:11, on the progress bar found at the bottom of the screen.

Action: None.

Follow-Up: None at this time.

Moderated Panel Discussion

After the presenters each spoke, there was a lengthy moderated discussion. Please refer to the meeting recording to hear this discussion. Below are some of the highlights of this discussion:

- Washington is extremely diverse – very different industries, traffic patterns, and very rural. It is expected in rural areas, due to lower density and the design of communities which are designed around the car, as we emerge from COVID 19 we will return to driving.
- The importance of and reliance on small businesses in our rural areas are going to pose different issues than will be seen and experienced in the urbanized areas.
- There are opportunities, if we can address the transportation issues, where we could see housing markets for Puget Sound-based works expanding their considerations to Wenatchee, Yakima, etc., where housing is much more affordable. And autonomous vehicles (AV) could help further enable this dynamic.
- With the expansion of telework, economic ties between Eastern and Western Washington will only grow along with the dependency on reliable and affordable internet service.
- Given the relationship between internet access and teleworking and the impact on alleviating transportation congestion, should establishing fiber networks be considered part of our transportation system and transportation funding be used to help support this?
- Transportation's formula funding does not allow for creativity nor is it nimble and responsive. We need a new, responsive and flexible funding model. If we can't come up with something new, we might lose transit systems.
- An approach could be to develop an incentive/disincentive system – make decisions about what the final goal is and create incentives/disincentives to achieve it. Need a significant paradigm shift in our state's land use laws. The Growth Management Act from the 1990s was based on the fundamental that land use came first. This has resulted in today's congestion. We need to flip that to figure out the transportation system first, and then make land use decisions based on that.

The WSTC indicated support for the Challenge Seattle proposal as presented.

The WSTC committed that the next update to the Washington Transportation Plan (WTP) will update and expand expectations and recommendations for fiber expansion and high-speed internet; and equity, assessing and ensuring that the guidance and recommendations address in a proactive and meaningful way.

For more detail on agenda item 5, please refer to the [TVW Meeting Recording - July 7](#), which starts at 02:53:05, on the progress bar found at the bottom of the screen.

Action: None.

Follow-Up: Discussion about Challenge Seattle proposal and how the Commission can join this work.

Next meeting: July 15 & 21, 2020

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