



Washington State
Transportation Commission

Transportation at the Tipping Point



2011 Annual Report

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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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Message from the Chairman

The short-term focus for our state's transportation policy must be maintaining and preserving the existing transportation system: state, regional and local. The good news is that if we spend a little more now, we can avoid spending more later; the bad news is that we need new revenue just to keep what we have today in good working condition. Across the state, our transportation network is at the tipping point of failing to meet our basic needs. Fortunately, from the Statewide Transportation Survey that the Commission completed this fall, we know that 85% of Washington residents consider it important to maintain and repair our transportation facilities and systems.

This emphasis on fixing what we have has been embraced by Connecting Washington, the Governor's Transportation Task Force. We also agree with Connecting Washington's conclusion that we must move forward as a state, or as regions, with new transportation investments that improve our economic competitiveness, build on our state's stellar safety record, and smooth connections between home, school, work, shopping and play. Transportation projects and services designed to meet priority needs must be delivered effectively and efficiently. Finally, while we emphasize today the need to maintain and preserve the existing transportation system, the ability to maintain and enhance the transportation system also requires prudent and thoughtful management of human resources as well as capital investments, whether bus drivers or bridge engineers.

While it is neither easy nor simple to get new revenue in these difficult economic times, we must push ahead. The cost to maintain what we have is less than the cost over time of doing nothing.

Richard Ford, Chairman



The Sounder Commuter Train makes nine round trips a day to Seattle from Tacoma Station.

Summary of Recommendations

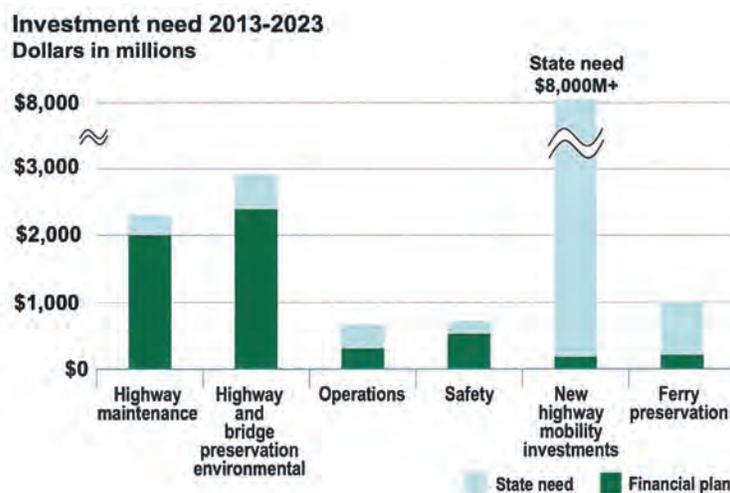
The top three recommendations in this 2011 Annual Report are:

- Preserving and maintaining the existing transportation system is Job 1.
- All parts of the system need additional funding, including resources to finish uncompleted major state projects.
- While much progress has been made, transportation agencies must continue to refine performance goals, and evaluate projects and operations for value.

The State of Transportation. Over 85% of the state's transportation projects funded by the 2003 Nickel gas tax and 2005 Transportation Partnership Act are complete. The remaining major projects – all in Central Puget Sound – are underway. Because the state bonded against the income stream from the 2003 and 2005 transportation packages, those taxes and fees are committed to paying that debt and are not available to spend on new improvements. Once the current projects are finished (or, with some megaprojects, when the funds run out), as the chart here shows the remaining

eight cents of gas tax provides very little money for mobility or safety improvements on the state system.

How much of our state highway, bridge and ferry needs will 8 cents address in the next 10 years?



Even more important, there already is inadequate revenue to maintain and operate today's state, regional and local transportation network. In many communities, the condition of city streets is declining. Around the state, county and city officials have reduced budgets for preserving and maintaining streets and roads. Most transit agencies already have cut service and increased fares. Airline service to several rural communities is less frequent.

When transportation infrastructure begins to deteriorate, the impacts ripple through the economy, especially in a state as dependent on trade as Washington. Ninety percent of freight travels on state highways. Whether shipping wheat to port or airplane parts to an assembly line, transportation investment is key to jobs and the economy. Despite high unemployment and lower incomes, in elections around the state, well-informed citizens have supported local revenue measures when projects and programs deliver known value for the investment.

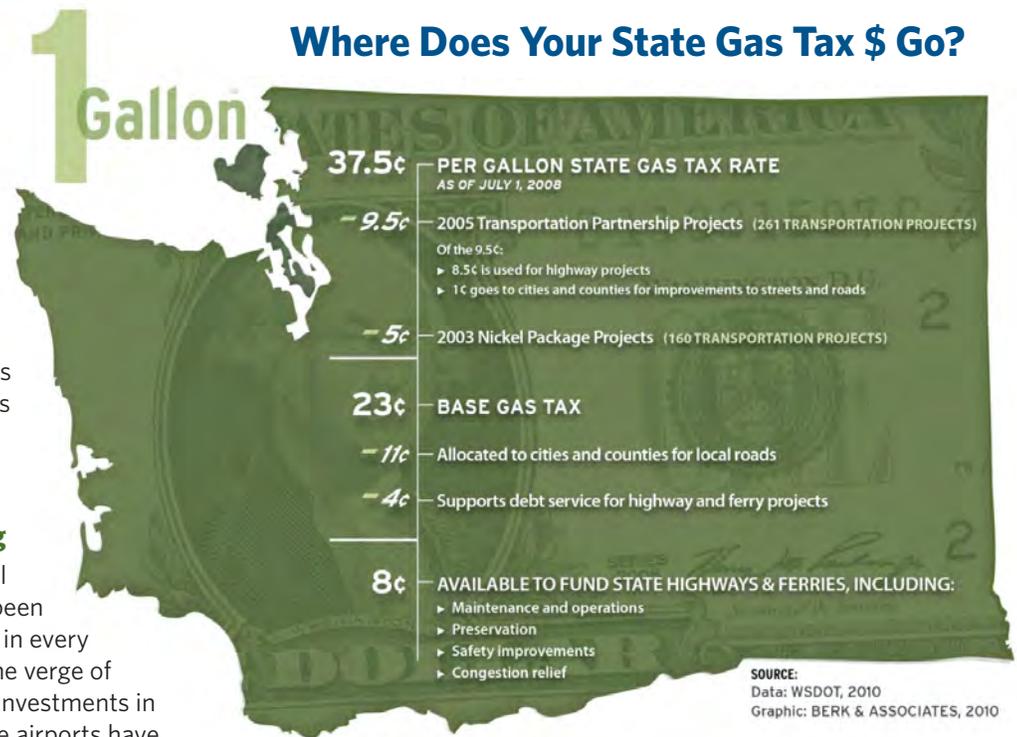
Transportation is at the Tipping Point.

This is an exciting – and crucial time – for transportation. There have been significant public investments recently in every transportation mode. Our state is on the verge of completing billions of dollars of major investments in highways and rail. Sea-Tac and Spokane airports have recently added major improvements. Light rail and passenger rail have improved and expanded public transportation in Puget Sound.

In addition, how people invest in transportation is changing – including a greater desire for cleaner, more efficient fuels. A new, greener automobile has emerged. The public interest in passenger train travel is strong and growing. There is evidence of a generational shift toward urban mobility through walking and bicycling. Boeing now has its new, lighter and more fuel-efficient long-range jet in production. The state’s two research universities have major work underway to develop biofuels for aviation and land transportation.

These trends, however, have halted (and perhaps reversed) the growth in fuel tax revenue our state and nation had grown to rely on. To compound that revenue problem, the federal government is entirely rethinking its commitment to improving transportation.

Where Does Your State Gas Tax \$ Go?



It appears that transportation in the future will rely less on fuel tax revenue and more on user fees, tolls and pricing. Unfortunately, operational setbacks with tolling in 2011 may dictate that additional work be done to rebuild legislative and citizen understanding of the value and necessity of tolling. National experts have suggested that Washington continue moving forward with its tolling program with two key principles at the forefront:

Keep the customer first in all decisions

- Make sure customers feel secure and are treated fairly
- Earn and keep public trust

Remember the reasons for tolling

- Raise revenue to pay for capital improvements
- Improve peak hour traffic flows

Congress – and perhaps most of the nation – is reluctant to move forward with increased transportation funding and new projects. But for the state’s economy, Washington must move ahead. We have done so before.

We Cannot Stop Now. Washington has built a very good transportation system, but we cannot stop with what we have done. In this far corner of the nation, basic transportation is necessary for Washington to maintain its social connection with the rest of the country and the world. The system we have built requires major investments in preservation and maintenance. And, critical to our state’s trade-dependent economy, innovation and improvements must be ongoing.





Spokane Transit provides service on 38 different routes with 156 buses.

I. Priorities for the Statewide Transportation System

One Network, Many Regional Priorities and Approaches

Washington's transportation system is a complex network of hard and soft infrastructure, owned and maintained by the state, county and city governments, port districts, transit agencies and the private sector. The capital investments of roads, sidewalks, rails, runways, ferries, terminals and piers are built and maintained to facilitate the movement of people, freight and goods. Within this broad, statewide network, each region of the state has its own priorities and approaches for maintaining and improving the system as a whole.

In this 2011 Annual Report, the Commission builds on the January 2011 Regional Priority Projects Report, the Washington Transportation Plan (WTP 2030), and our on-going outreach work to highlight priorities for the statewide transportation system. As 2012 begins, each Regional Transportation Planning Organization (RTPO) has unique accomplishments, challenges and needs. Here we summarize the themes that have emerged from working with the Department of Transportation and RTPOs. Additional information about the priorities of each RTPO is in the Appendix of this Report.

- ✦ Preservation needs are growing and critical in every region across the state. In some regions, the need for preservation funding is greater than the need for new projects or programs.



Heading north in I-5 in Seattle

- ✦ In urban areas, the link between land use, increased density, and a mix of uses and transportation modes is becoming increasingly important in defining, evaluating, and funding transportation systems. Inter-city mobility, multimodal operability, and alternatives to auto-dependent uses will likely increase in the next twenty years.

- ✦ Transportation corridors and corridor development will receive greater attention as urbanization and density increase. Urban corridors will need to carry more people and goods more efficiently and accommodate different transportation modes and systems such as rail, transit, bicycle and automobiles.

- * Freight mobility is a central focus across the state. Connections to the interstate highway system, railroads, marine ports and airports are often the first steps of journeys from farm to market or home to work.



The Grain Train Program is a collaboration between WSDOT and the Ports of Walla Walla and Moses Lake, and Whitman County.

- * Much of rural Washington State depends upon agriculture, forest products and tourism as significant elements of local economies. Rural transportation needs often focus on efficient movement of goods and safe movement of people between communities.

- * In northwest Washington the ferry system connects communities dependent on or related to Puget Sound waterways. Ferries are more than transportation: they also are a tourism attraction and help connect the national defense clusters around Puget Sound.

- * Tourism is a significant part of the state's economy. In some communities, it is a relatively larger component of the local economy. Many rural RTPOs in both eastern and western Washington place a high priority on projects that enhance access to popular tourism destinations.

- * Tribal governments are emerging as participants in transportation plans. Connections with Tribal governments will likely increase as a component of local transportation networks.

- * Communities located along the borders of Washington and British Columbia, Oregon, and Idaho all encounter special circumstances related to transportation needs, projects, and funding. Whatcom County and Clark County are involved in projects

that require multi-jurisdictional coordination with WSDOT, agencies in British Columbia and Oregon, and agencies of the federal government. The Spokane, Pullman and Clarkston regions have significant proportions of their workforce crossing the Idaho state line each day.



\$27 million of freight moves on Washington roads every hour of every day.



The Chetzemoka, Salish and Kennewick are the three new ferries of the Kwa-di Tabil class that can carry 64 vehicles and 750 passengers.



The proposed Columbia River Crossing project will replace the I-5 bridges and lift span crossing the Columbia River at Vancouver.

II. The State of Transportation

The Transportation Commission provides a public forum for transportation policy development. In this section, we briefly comment on what we have heard during the last year, organized using the six transportation policy goals of RCW 47.04.280. We also summarize what we learned in four day-long meetings in cities around the state.

Preservation

- Preserving existing local infrastructure continues to be the top transportation priority for counties and cities. Most regions have been unable to preserve public transportation service at levels reached in 2008.

- The state faces similar challenges to keep today's transportation system operating. The ferry system is not sustainable at existing funding levels. Aging vessels and terminals will mean more breakdowns and less reliability leading to ongoing declines in the level of



service. At current funding levels, state highway pavement will deteriorate from 94% rated as good/fair to less than 70%. Incident response times and accident clearance capacity also are at risk.

- Preserving and maintaining commercial air service options remains a priority for areas of the state beyond the drivable distance to Sea-Tac or Portland International Airports. Both the number of airlines serving an airport and frequency of flights are a concern.

Preserving Transportation Funding - Raising the Gas Tax is Not a Long-term Solution

There is growing attention given to preserving transportation funding in the age of fuel efficiency. Secretary of Transportation Paula Hammond noted that one cent of gas tax buys 49% less than it did 10 years ago. That should help us understand that raising the gas tax is not a long-term funding answer. With declining fuel consumption, it is time to do something bolder.

The State of Oregon was the first state to enact a gas tax. Today, Oregon is moving ahead with research and a proposed pilot program to apply mileage pricing to electric and hybrid vehicles. A previous pilot program in Oregon demonstrated that mileage charges work but also displayed some flaws.



The architect of Oregon's program identified six functions of a mileage charging system:

- | | |
|------------------------------|---------------------|
| Calculate miles driven | Access mileage data |
| Apply mileage charging rates | Provide a billing |
| Collect payment | Enforce payment |

In September 2012, the Oregon Department of Transportation will test an approach that offers drivers choices for reporting miles driven and collecting data on compliance and enforcement. Potential legislation in 2013 would require owners of electric vehicles (EVs) and plug-in hybrid vehicles to either periodically report miles driven or pre-pay a flat annual tax in lieu of reporting. The mileage tax rate would equal the amount an average motorist pays annually in gas taxes. The system would establish offsets or refunds of gas tax paid and for miles traveled on private property.

Safety

* Washington is one of the few states that set traffic safety priorities. The vision of Target Zero, Washington's Traffic Safety Plan, is zero traffic deaths by 2030. The three top priorities in Target Zero 2010 are impaired driving, speeding, and run off the road collisions. Twenty-four Target Zero Task Forces around the state coordinate local efforts. Implementation is required by state agencies and recommended for county, city and tribal agencies.

* A troubling new trend is the increase in accidents and deaths from texting while driving. A recent report from the Virginia Tech Transportation Institute studied driver distraction and cell phone use under real-world conditions and concluded that "text messaging increased crash or near crash risk by 23.2 times for heavy vehicle drivers." The Washington Traffic Safety Commission says a similar crash risk is expected for car drivers who text.

Economic Vitality

* The \$3.1 billion Alaskan Way Viaduct Replacement Program is underway. The southern part of the viaduct is demolished and a replacement roadway has been built. The Seattle City Council has approved working agreements with WSDOT to move forward with next steps, including an Advisory Committee on Tolling and Traffic Management. Among the issues the Committee will address are the surface street impacts caused by diversion and changing traffic patterns. In 2012, WSDOT plans to seek tolling authorization and bonding authority.

* Every dollar invested in tourism at the state level returns \$11 in taxes. With the state no longer sponsoring a Tourism Commission, the travel industry has suggested the Transportation Commission partner with it to improve tourist signage and directions. Improved signage can get people off the highway and into communities. The tourism industry wants to know:

- How is signage for visitors developed and evaluated?
- What are the opportunities to reopen Welcome Centers and Visitor Centers?
- Can rest stops also be visitor centers?



\$766 million in high-speed rail funds will improve Amtrak Cascades service and also benefit freight rail.

Mobility

* Daily congestion - which is not new to I-5 travelers in the Central Puget Sound - has reached the I-5 corridor between Tacoma and Olympia. Since 2000, Joint Base Lewis-McChord (JBLM) has grown by 36,000 staff and is now the third largest employer in the state. About 35% of the trips to JBLM each day come from Thurston County where land and housing costs are lower and jobs pay 15 - 20% less. In addition, large new businesses have located in DuPont and Lacey.

Long-range solutions for the JBLM corridor require additional lanes and interchange reconstruction. Short-term solutions being pursued include ramp meters, redesigned lanes, changed signals and changes in base operations.

* Amtrak Cascades service connects 18 cities in the Pacific Northwest region along a 466-mile rail corridor from Eugene, Oregon to Vancouver, B.C. There are now five daily rail trips in each direction between Seattle and Portland. The operation of Amtrak Cascades is funded by passengers, the states of Washington and Oregon, and Amtrak. Funding from the state of Washington comes from taxes collected from the sale of new and used motor vehicles, rental cars and vehicle weight fees. The total taxpayer subsidy for Washington State supported Amtrak Cascades trains was \$12.8 million in 2010.

Amtrak Cascades ridership is at 779,359 through November 2011. This trend is up slightly over 2010, which set a ridership record. Cascades farebox recovery for 2010 was 64%, up from 46% in 2008 and 54% in 2009. The large revenue increase in 2010 was due mainly to expansion of the second train to Vancouver, B.C. and improved pricing strategy.



Removal of the Alaskan Way Viaduct will transform the Seattle waterfront.

Washington State has received \$792 million in federal grants for passenger rail, including \$766 million in High-Speed Intercity Passenger Rail (HSIPR) grants as part of the federal American Recovery and Reinvestment Act (ARRA). Most of the money is obligated for track improvements on the Seattle-Portland route to allow for additional trips at slightly higher speeds. Construction of true high speed track costs about \$50 million a mile.

* Across the state, communities are struggling to meet the transportation needs of the elderly and disabled. Even in the most rural areas of the state, communities have found ways to address special needs transportation.

In Garfield County, where 36% of the population is disabled and 40% of the population is elderly, citizens have established Garfield County Transit. Structured as an unincorporated Transportation Benefit Area, it operates Monday - Thursday 8:00 am to 4:00 pm and Friday 8:00 am to 2:00 pm. On Tuesday and Thursday, it travels to Clarkston and Lewiston to provide access to medical service.

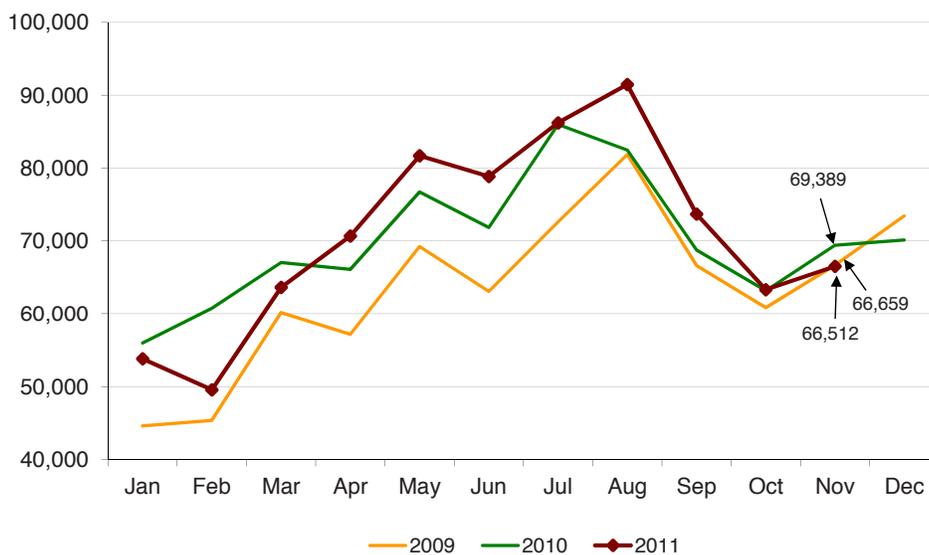
"The important thing," said Dean Burton, Garfield County Commissioner, "is to keep seniors living in their homes and provide a way for them to get where they need to go without a car."

In adjacent Columbia County, a voter-approved 0.4% sales tax supports Columbia County Public Transportation (CCPT). This system provides demand-response service, 7:00 am - 7:00 pm during the school year. CCPT makes at least 10 trips a day into Walla Walla, and also serves the communities of Waitsburg and Dixie in Walla Walla County. It offers limited Saturday service and is available 24/7 to provide Medicaid services.

* Citizens face challenges in getting to Olympia to participate in state government and comment on legislation. There are no direct plane or rail connections from Eastern Washington and the lack of adequate transit makes it impractical to travel even between Olympia and Seattle or Sea-Tac without a car. The state should consider ways to make Olympia a destination for democracy.

Amtrak Cascades Ridership

Passengers



Environmental Quality and Health

* WSDOT, and many cities and counties across the state, are implementing new stormwater permit requirements. About

40 - 50% of the lane miles on state highways from south of Olympia to the Canadian border now have stormwater management systems. Over the last 10-15 years, WSDOT has spent a total of \$200 - \$500 million to collect, manage and treat stormwater. WSDOT estimates it now needs \$10 million a biennium to maintain existing stormwater systems. In watersheds where pollution loading limits (TMDLs) have been set, the challenge of stormwater management is even more difficult.



Columbia County Public Transportation's motto: "We're not just a ride, we're an adventure."

Under the new stormwater permit, WSDOT is increasing testing from 6 sites to 20 sites statewide and water quality sampling from 800 to 4,620

samples per year. Despite this effort and investment, WSDOT still is not catching up with the problem. Many governmental agencies from the federal to the local level are working to find the money and/or techniques necessary to manage and reduce stormwater.



Alaska Airlines and the Port of Seattle are members of the coalition testing sustainable aviation fuels.

* Aviation, a priority sector of Washington's economy, has a unique need for sustainable alternatives to petroleum fuels. Sustainable Aviation Fuels Northwest, a coalition including Boeing, Alaska Airlines, the operators of the region's three largest airports - Port of Seattle, Port of Portland and Spokane International Airport - and Washington State University (WSU), successfully developed and tested biofuels for aviation. Last summer Boeing flew a 747-8 with a kerosene/biofuel blend on a cross-Atlantic flight and Alaska Airlines flew a total 70 flights using a biofuel blend.



The Commission continues to hear about the need for sidewalks in communities across the state. In 1970, 50% of students walked or biked to school. Today, fewer than 15% walk or bike to school. At least 25% of the traffic at peak hours is due to parents driving kids to school.

The coalition's report recommends the Northwest develop its significant potential biomass resources. The region has tremendous expertise at its research universities, government agencies and industries, including the Pacific Northwest National Laboratory - the national research center on biomass conversion. Washington State University, a center for advanced biofuels research, and the University of Washington both received \$40 million federal grants in 2011 to continue research in transforming woody biomass to jet fuel.

Stewardship

* Washington State Ferries (WSF) has lost a cumulative \$1.2 billion since 2000 from repeal of the Motor Vehicle Excise Tax. Since then, service has been reduced, fares raised and \$852

million transferred to ferry operations from other state transportation accounts. As an initial step to generating additional capital revenue for new vessels, the 2011 Legislature directed a 25 cent capital surcharge be added to each fare, which the Commission included in its October 1, 2011 fare increase.

WSF management also has made progress in reducing and controlling costs. Its fuel cost mitigation strategy includes fuel hedging, fuel saving techniques including slower travel, and quicker loading and unloading. If necessary, a fuel surcharge may be added to fares, implemented and reviewed on a quarterly basis, with credit given for better-than-expected prices.

* Service reliability on Amtrak Cascades and Sounder must improve. Weather has created many landslides that disrupt passenger service:

- In 2009, six mudslides disrupted 44 Amtrak trains
- In 2010, mudslide events disrupted 130 Amtrak trains
- In 2011, over 200 trains have been delayed

Over \$16 million has been provided to begin improvements in the entire corridor. The number of disruptions has raised awareness of the drawbacks of alternative service with private buses. Existing laws prevent Amtrak from using Sound Transit or other public buses.

Known Mudslide Areas



Local Meetings and Outreach

The Commission holds four local meetings throughout the state each year – two on the east side of the Cascade Range and two on the west side. The Commission also met in seven ferry communities to hear input on the WSF fare proposal for 2011-12.

In 2011, the Commission visited Olympia, Cheney, Clarkston and Vancouver. Here are ten things we learned at each of these meetings.

Cheney

- Cheney is “all about partnerships in improving our community.” Its partners include Eastern Washington University (EWU), the school district and private businesses. Cheney citizens pay a 4% utility (gas and electric) tax for street preservation, capturing the use of infrastructure by the students who live in Cheney for nine months a year. The tax generates about \$380,000 annually.
- The Coalition for SR 904 has regional support and partners, including EWU, ADM Mills, and Spokane Transit Authority. The multi-modal corridor carries 13,000 vehicles a day and needs widening to five lanes for safety and economic development. The cost to upgrade SR 904 is \$25 to \$30 million.
- Due to jobs and housing imbalance, people who live in the Airway Heights and West Plains area need to drive to work -- most jobs are in Spokane and other places.
- Spokane County has 2500 miles of roads and the county bridge network is deteriorating.



- The Spokane region has made major improvements in bike and pedestrian access since 2008. Spokane is now at the national average for non-motorized transportation use, which is 11%.
- Over \$600 million has been allocated to the \$1.93 billion (in 2010 dollars) North Spokane Corridor (NSC). Currently it takes 45 minutes through 19 traffic lights for a truck to go from I-90 to the Wandermere bridges. After NSC completion, the estimated time would be 11 minutes and no traffic lights.
- Only 50 of 350 miles of tribal road on the Spokane reservation are paved. The tribe is turning one paved road back to gravel.
- Two tribal transit buses traverse the Spokane reservation through Wellpinit, in the center of the reservation. By the 20th of the month ridership is down 50%; people cannot afford the \$1.00 fare.
- Kaltran, the Kalispel Tribal Transit System, started in May 2009. Kaltran now has about 900 riders per month with services north to lone and south to Spokane. New funding will allow service extension to Airway Heights.
- Paratransit operations account for 19% of Spokane Transit Authority expenses. Average cost for paratransit customer is \$22.32.



Clarkston

- Bridges across the Snake and Columbia Rivers with multiple state, county and city owners pose significant challenges for retrofit or replacement.
- Rural public transportation is essential for the mobility of growing populations of rural elderly and disabled people.
- Because the City of Clarkston is mostly built out, the challenge is preservation. \$1.1 million of the city's \$10 million budget is for streets. Sidewalks, trees and landscaping, and storm water management requirements challenge the already stretched street maintenance budgets.
- As grant funding has shifted to “shovel-ready” projects, it is hard for small cities and counties to have developed projects sitting on the shelf. Funding is needed to design and plan projects.



- Asotin County's first priority is rebuilding SR 129, Fleshman Way. Project design is almost complete and the cost is estimated to be about \$10 million. It is too big to do with only local funds and grants and too small to compete with most big projects.
- A county road needs a chip seal every 7 years. Ten years ago, Whitman County could chip seal every 12 years. Today, a chip seal is applied on a 15-18 year cycle. The cost of oil alone is more than the entire program cost 10 years ago.
- Sometimes federal funding is elusive. Last year, Whitman County rebuilt a bridge that was damaged by overweight trucks. While Whitman County spent about \$120,000 - \$130,000 on the repair, to qualify for federal funding it would have had to spend \$150,000.
- The Lewis-Clark Valley Metropolitan Planning Organization (MPO) provides transportation planning for the urban area united by the Snake River. The Asotin Public Transportation Benefit Area (PTBA) shares dispatch with Lewiston Transit; some routes cross the river.
- Multimodality includes the interdependence of navigable river channels and docks with highways. Columbia/Snake River barging is very important: 10 million tons of wheat move by barge each year. The short line rail system also is very important to move wheat to the river for transport to markets in Portland, Kalama and Longview.
- The state owns the Palouse & Coulee City (PCC) Railroad and county commissioners comprise the PCC governing board. In 2010, PCC shipping increased 20% over 2009 to 8,000 carloads. A \$17 million private investment in Oakesdale is underway for a unit train facility and McGregor is building a chemical facility alongside. WSDOT and consultants have developed an \$80 million rail rehabilitation plan. The PCC is currently leveraging a 5:1 private investment.

Olympia



- Olympia is an innovator. It was the first city in the state to adopt impact fees and one of the first to establish a Transportation Benefit District.
- Olympia voters recently enacted a utility tax to build sidewalks and bike paths that dedicates \$1 million annually to sidewalks. The new sidewalks are built with porous concrete.
- Lacey, which built the first multi-lane roundabouts in the state, now has 6 multi-lane and 6 single-lane roundabouts.
- Thurston County and its cities have made major investments in non-motorized transportation, such as the 22 mile Chehalis-Western Trail. The next trail segments, connecting existing trails to Tumwater, will cross the Deschutes River and be costly.
- Until recently, state government offices created much of the City of Tumwater economic development. The inability to charge impact fees to state agencies has left the city with undersized interchanges.
- Thurston County works with the urban and rural cities as a regional partner in transportation. Thurston County is also working collaboratively on emergency response.
- There are multiple transportation challenges in the Tacoma to Olympia corridor, due in part to the growth of Joint Base Lewis-McChord (JBLM). I-5 expansion is limited by environmental issues and costs. Extension of Sound Transit Commuter Rail to the south is not likely soon due to:
 - BNSF main line capacity and cost
 - No direct rail line to downtown Olympia
 - Political difficulty of expanding the Sound Transit district
- Intercity Transit has avoided service cuts due to voter approval of a 0.2% sales tax increase.
- The Port of Olympia priorities are:
 - Dredging its berth and navigation channel. The disposal of dioxin-contaminated dredged sediments is a major challenge, costing \$36 million for upland disposal.
 - Restoring commercial air service that has been limited by airline-specific business plans, market demand, airport runway length and instrument approaches, and community support.
- Tribal gas tax revenue is enabling the Nisqually Tribe to make \$40 million in infrastructure improvements over the next three years, including a \$4 million frontage road adjacent to SR 510.



Vancouver



- Clark County voters provided an additional 0.2% sales tax to preserve C-Tran's core bus service, improve service in high growth corridors, and meet growing demand for paratransit service.
- Vancouver is investing \$44.6 million in the Waterfront Access Project. Its benefits include reducing delays on the BNSF mainline by over 40%, making rail improvements, and encouraging and facilitating a \$1.3 billion private sector reinvestment in the downtown waterfront.
- The City of Battle Ground is engaged in a public private partnership to improve traffic flow by building an East-West corridor in its industrial park.
- After decades of rapid growth that funded expansion of the transportation network, the Clark County region is now emphasizing lower cost operational improvements on existing transportation facilities and investing in preservation.
- A planned Bus Rapid Transit corridor will connect the downtown and Vancouver Mall commercial nodes at I-5 and I-205.



- The Port of Vancouver, which today operates on 800 acres, has 600 acres available for future development.
- Bulk shipments are the growth cargos in Southwest Washington ports, which along with other grain terminals along the lower Columbia River, comprise the third largest grain gateway in the world. Although trucks carry the majority of freight coming to or leaving the Port of Vancouver, 25% travels by ship or barge and 17% by rail.
- About 60,000 Clark County residents, nearly one-third of the work force, are employed in Oregon. By comparison, only 11,000 Oregonians travel north across the Columbia River to work.
- Work in the I-5 corridor by WSDOT and ODOT prepared the way for a new bridge across the Columbia River. Oregon added HOV lanes to I-5 in 1997, 2003 and 2010. In 2004 Oregon spent \$350 million building light rail to the Expo Center in northwest Portland, just over a mile south of downtown Vancouver. In 2010 Oregon spent nearly \$410 million in transportation improvements in the I-5 corridor.
- There is significant citizen concern about tolling, the cost of the proposed Columbia River Crossing, and the cost of light rail.



The variable speed signs on Smarter Highways help to reduce stop-and-go traffic.

III. Overview of 2011 Work and Activities

Statewide Transportation Survey

The Washington State Transportation Commission conducted a major statewide transportation survey during September – October 2011 to find out what citizens think about our state’s transportation system and how to pay for future needs. The survey findings, delivered in December 2011 to the Governor and Legislature, provide insight into ways to fund growing transportation needs across the state.

Key survey findings include:

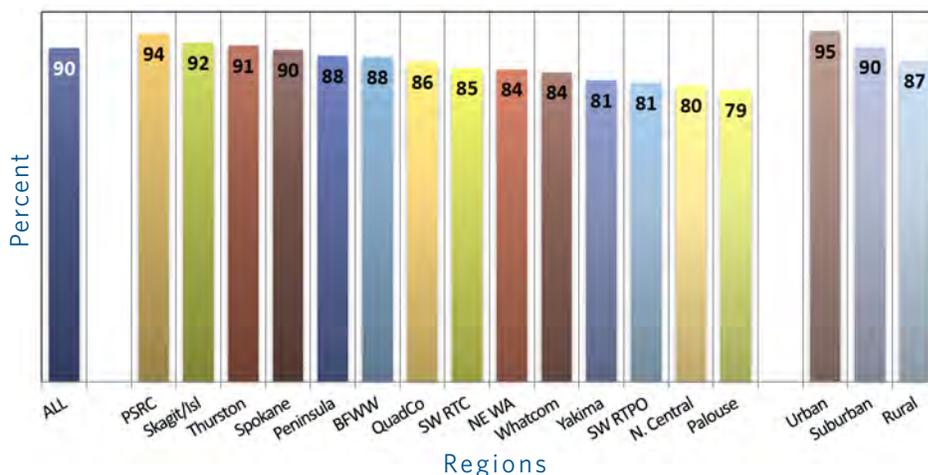
- When asked if they would support or oppose “raising some transportation taxes and fees,” 59% of respondents say they would support it. The level of support grows to 62% when informed of some of the benefits that would result from additional transportation investments.
- Respondents believe investments should go first to maintaining and repairing the existing transportation system, followed by increasing capacity and expanding travel options.
- Only three of the nine funding sources tested receive majority support as “good ways to fund increased investment in our transportation system.” Sixty-one percent support a vehicle emissions fee; 60% support a special license fee for electric vehicles; and 52% support tolls. About half (46%) support an increase in the state gas tax.
- More than six-in-ten (63%) support more state funding for public transit and passenger rail.

- A majority (57%) support using state funds to pay for the maintenance and operations of Washington State Ferries (WSF). Support grows to 64% when respondents were informed about the number of ferry riders per year and that fares pay for about 70% of WSF operations.

The statewide transportation survey is the first of its kind in terms of its comprehensive nature and participation levels, with over 5,500 citizens taking the survey. The results are statistically valid at the statewide and regional levels, as defined by the boundaries of the 14 Regional and Metropolitan Transportation Planning Organizations across the state. It provides data about the unique opinions and preferences in each region, allowing for targeted transportation investments that best meet the varying needs statewide.

The chart below indicates the percentage of residents in each region who consider it urgent to maintain an effective transportation system.

How urgent is it to make sure Washington’s transportation system works effectively today and into the future?



Ferry Rider Survey

8500 people participated in various 2010-2011 Ferry Rider Opinion Surveys. A key finding was that half the rides are for commute purposes system wide, but only a third of the users are commuters. Although the purposes for trips across Puget Sound are similar between eastside and westside residents, residents on the eastside of Puget Sound are more likely to travel westbound for recreation.

Just under half of freight users identify wait time as an issue. Freight haulers indicate that a ferry reservation system will increase the value of WSF to them. Data from freight users indicates that about one-third of freight trips might be shifted to off-peak hours.

Peak period vehicle drivers' behavior is inelastic until fares are increased by 25%. Across the system, 42% of peak hour trips are discretionary. By increasing only peak fares, the modeling shows that 8% will avoid peak times. Another simulation indicates that ferry riders value time over money - if their wait time increases by an additional boat, 11% will shift to off-peak or walk-on travel.

Tolling Policy, Toll Setting and Ferry Tariffs

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.

I-405 Corridor Traffic and Revenue Analysis

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

The study is modeling traffic for work and non-work travel, peak and off-peak travel, both north and south of I-90. During Fall 2011, a stated preference survey evaluated "willingness to pay" or "value of time." When complete the survey will:

- Evaluate existing traffic conditions
- Forecast future corridor growth
- Evaluate choices
- Incorporate risk of alternative outcomes

Complete findings will be available by July 2012.

Tacoma Narrows Bridge

For the third year in a row, the Transportation Commission continued the toll rates set in the spring of 2008 for the Tacoma Narrows Bridge (TNB). Toll revenue generated from the TNB is currently estimated at roughly \$44 - 45 million for FY 2012 based on the current rate structure. The current cash toll is \$4.00, with higher charges for each additional axle. Vehicles equipped with a transponder for electronic tolling pay \$2.75 per vehicle, with higher charges for each additional axle. The TNB toll is charged only for eastbound travel.

A significant reason the Commission could maintain current rates for three years was the Commission's 2010 action establishing a sufficient minimum balance of 12.5% of fiscal year total costs. The sufficient minimum balance policy improves rate stability for bridge users and provides assurance to bondholders and taxpayers that the TNB account has adequate funds to cover costs. The sufficient minimum balance, to date, has been used to address increases in costs including an escalating debt service schedule.

Based upon current forecasts, including a drop in traffic volumes, the FY 2012 ending sufficient minimum balance will be below the 12.5% policy target. The total FY 2013 funding need is approximately \$70 million, in the following categories:

- \$45.7 million-Debt Service
- \$5.7 million-Deferred Sales Tax
- \$11.2 million- O&M
- \$7.1 million-Sufficient Minimum Balance



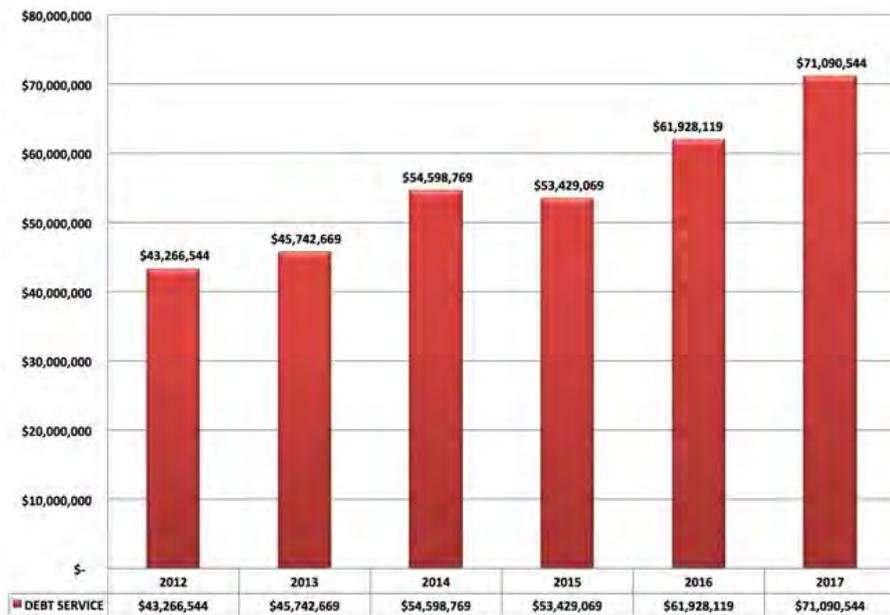
Current toll rate levels do not generate enough revenue to meet the funding requirements for FY 2013 listed above. The Commission will be taking action during spring 2012 to address the funding need. A significant increase in base toll rates is expected.

Electronic tolling infrastructure saves time and money in toll collection.



The new Tacoma Narrows Bridge has reduced congestion and improved safety in the SR 16 Corridor since its opening July 16, 2007.

Tacoma Narrows Bridge Actual Debt Service by Fiscal Year 2012 - 2017



Fiscal year debt service 2018-2031 not included in graph

Due to the back-loaded debt service schedule, TNB will need to generate increasing revenue in each ensuing fiscal year due to the escalating debt service structure on the bonds issued to finance the construction of the 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 dropped significantly when tolling began, it is expected to gradually increase as congestion grows on other facilities.

The Commission 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:

- Peak period weekday rates - \$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
- It is free to cross the bridge from 11 p.m. - 5 a.m.

Very few vehicles are exempt from tolls. They include public and private transit buses, registered ride sharing vans, emergency response vehicles that are responding to bona-fide emergencies, 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 directly involved with SR 520 bridge maintenance, and vehicles owned by foreign governments and international organizations (as required by federal law).

On October 13, 2011, the State Finance Committee, acting by and through the State Treasurer, awarded the sale of the first series of bonds for the SR 520 Corridor. The bond sale raised \$550 million at an all-in true interest cost rate of 4.317%.

The Financing Plan for SR 520 is significantly different from that for TNB. The bonds issued for the TNB were secured by General Obligation Motor Vehicle Fuel Tax (MVFT) bonds and

included an escalating debt service structure with assumed escalating toll rate structure. The SR 520 financing plan, by contrast, is based on a series of bonds sales with the debt service on the bonds structured to achieve a level toll rate by FY 2017. First, a triple-pledge bond series was issued in October 2011. The second and third series of bonds is planned for May 2012 and May 2013, as GARVEE bonds, a pledge of anticipated federal funds. The fourth series of bonds will be issued in 2014 as toll revenue-backed 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.

The SR 520 finance plan assumes tolls rates will increase 2.5% annually starting July 1, 2012, through 2017 at which time a 15% increase is planned, subject to the review and potential adjustment by the Commission.

SR 167 High Occupancy/Toll Lanes

A pilot project that began 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 2011, the Commission did not alter the variable toll rate parameters which are currently set at a minimum of 50 cents and a maximum of \$9.00.

The State Route 167 High Occupancy/Toll (HOT) Lanes reached a significant milestone in its fourth year of operation. Use of the HOT Lanes continues to grow and beginning in April 2011 toll revenue began exceeding operational costs. HOT lanes help reduce congestion and maintain free-flow traffic conditions for all lanes in this corridor.

2011-12 Ferry Tariffs

The Transportation Commission adopted ferry fare changes effective October 1, 2011. This is the first step towards meeting an overall revenue target of \$310 million that must be raised by ferry fares between July 1, 2011 and June 30, 2013 as required by the state transportation budget.

The Commission action initiated a two-step general fare increase. A 2.5% increase in October 2011 will be followed by an increase of 3.0% in May 2012. Fares for vehicle categories under 30 feet were restructured and implementation of resultant fare changes phased in over three years to mitigate significant fare impacts in any given year. The purpose of this restructuring is to provide pricing incentives for use of smaller vehicles by introducing a small car category and gradually increasing the cost per foot as vehicles get longer, while also eliminating the source of significant tollbooth conflict around the current 20-foot cutoff.

Other fare changes reduced the cost of bicycle commuting, imposed a legislatively directed capital surcharge of 25 cents on each fare, and established a mechanism to impose a fuel surcharge when fuel costs exceed those funded by the budget. Low fuel costs, coupled with the success of fuel hedging, makes a fuel surcharge unlikely in this biennium.

Long-range Planning and Funding

Following the adoption of Washington Transportation Plan 2030, the Commission participated in legislative efforts to streamline and clarify the state’s transportation planning work. The Commission recommended there be one statewide transportation plan that meets both state and federal needs and connects planning, performance and funding. Because it worked so well with WTP 2030, we also recommended that the statewide plan be developed with the assistance of a broad-based advisory group that includes state and local transportation agencies, private providers and consumers of transportation, and experts in land use and economic development. The Commission continues to support these reforms in 2012.

Studies and Task Forces

During 2011, Commissioners and Commission staff participated in numerous studies and task forces, including the following:

The **Aviation Economic Impact Study**, headed by WSDOT with the support of the Federal Aviation Administration, will conclude in February 2012. It is designed to:

- Measure the economic impacts of each public-use airport in Washington.
- Assess the economic value that airports create for communities.
- Show how airports and the state aviation system contribute to the state’s economy and economic competitiveness.



Connecting Washington is a Task Force convened by Governor Gregoire to review statewide transportation needs and recommend the most promising investment options and revenue sources to address top priorities. In December 2011, it recommended development of a \$21 billion transportation revenue package, with a priority on funding preservation and maintenance at both the state and local level.

The **Ferry Fare Media Study**, conducted by the Joint Transportation Committee, focuses on the ferry customer. The study encompasses the products accepted for payment of fares, the interoperability of fare media, and the fare structure. One significant finding is that Washington State Ferries has gained customers, but lost ridership.

Airports help our economy grow.



Crossing the Cascades

The state convened a **Plug-in Electric Vehicle Task Force** to facilitate the emergence of electric vehicles. The Commission is committed to incentives for Plug-in Electric Vehicle (PEV) implementation and is also interested in how PEVs can best contribute to the cost of building and maintaining the roads and other transportation facilities used by all vehicles.

Public Private Partnerships. In January 2011, the Commission issued a Report on Best Practices Review of Public Private Partnership (PPP) Programs and Laws for Non-Toll Facility Projects. It recommended the following changes to the law:

- Establish a unique process for non-toll projects
- Require Commission review and approval when a PPP involves sale or disposal of state assets or incurring obligations that bind future state appropriations
- Modify review and approval of project selection criteria
- Authorize WSDOT to carry out pilot projects with Commission review and oversight

The Commission has also participated in the Joint Transportation Committee Public Private Partnership Study. The Study has looked at the potential benefits of engaging with the private sector in highway construction and/or finance, both in general and for five specific projects in the state.

The **Washington State Energy Strategy 2012** is the first comprehensive analysis with policy recommendations since 1993 for meeting the state's future energy needs. In light of the state spending \$16 billion annually on fuel, the strategy identifies transportation efficiency as key to Washington's energy future.

Naming Transportation Facilities

In March 2011, the Commission named the new SR 532 Bridge connecting Camano Island to the mainland the "Camano Gateway Bridge." The Commission also revised its guidelines for naming ferry vessels. Information on the naming policy can be found at <http://www.wstc.wa.gov/Naming/default.htm>

Route Jurisdiction Transfer

The Legislature enacted the Commission recommendation to transfer SR 527 from the state to the City of Bothell. The Commission received no new Route Jurisdiction Transfer proposals in 2011.

Centennial Accord Plan

In July 2011, the Transportation Commission adopted a Centennial Accord Plan to guide the Commission and its staff in working with tribal governments throughout the state.

Joint Work with California and Oregon

In January 2011, the three West Coast Transportation Commissions authored a joint letter on federal transportation funding reauthorization. The California, Oregon and Washington Commissions are currently updating and resending a letter related to a national transportation revenue system based on vehicle miles traveled.

Following a joint meeting of the California and Washington Commissions in September 2011, the Commission received a briefing on construction of the new \$6.281 billion San Francisco Bay Bridge (East Span) and toured the bridge site by ferry and van. The Bay Area Toll Authority has imposed a seismic surcharge on all bridges in the system to rebuild and upgrade its seven bridges. Bridge tolls are \$5 except on the Bay Bridge, where the toll is \$6 during peak hours, \$4 off-peak, and \$5 on the weekend.

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 partially 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 (population 317,000). A \$470 million list of priority projects in the BFWW RTPO



Benton County's Intertie connects SR 397 and I-82

demonstrates the diversity of the region, illustrating both urban and rural investment. Priorities in the Tri-Cities urban area include many multi-modal projects. The top priority in Walla Walla County is the completion of four-laning US 12. Preservation and maintenance of the existing transportation system is essential in the RTPO's list of priorities.

Major urban projects include replacing a deteriorating underpass in the City of Pasco and constructing a new four lane bridge over the Yakima River in the City of Richland. Priorities also include constructing 7500 feet of multi-use track as the final phase of an intermodal rail hub.

The emphasis in the rural area is to upgrade freight routes to all-weather road standards.

North Central Washington RTPO, the RTPO for Chelan, Douglas and Okanogan Counties (population 152,760), is staffed by the Wenatchee Valley Transportation Council. Priority projects represent a cross-section of urban, rural, state highway, local roadway, and transit needs. The region's true priority is the need for additional investment to preserve existing transportation infrastructure and services. Cities and counties in this RTPO need both revenue and flexibility from the state to catch up with the preservation backlog; they lack the fiscal capacity to salvage roadways and bridges that will be lost over time as a result of diminished preservation investment.



Downtown Wenatchee

Priorities within the Wenatchee metro area include completion of the backbone highway corridors necessary to support GMA plans for Wenatchee and East Wenatchee (including the "loop" formed by US 2, SR 285, SR 28 and the Columbia River bridges). Rural priorities focus on small city needs and all-weather

county roads, and highlight the significance of continued investment in 2-lane state highways.

Northeast Washington RTPO, the RTPO for Ferry, Pend Oreille and Stevens Counties (population 64,200) serves the smallest and most rural

population of the state's 14 RTPOs. Lacking commercial air service and passenger rail service, and with minimal freight rail and public transportation, state highways link this area to the rest of Washington and the world.

The primary transportation need in this region is maintaining and preserving tribal, city and county streets, roads and bridges. The cost of preservation exceeds \$104 million. Road



The Rock Cut Bridge spans the Kettle River

reconstruction – to meet all-weather road standards – is needed to facilitate year-round freight movement throughout the region. Construction or reconstruction projects total \$557 million.

Palouse RTPO provides transportation planning for the Counties of Asotin, Columbia, Garfield, and Whitman (population 72,800) in the southeast corner of Washington State. The transportation system within the Palouse Region is built for moving agricultural products to market, and for the mobility needs of the communities within and surrounding Washington State University.

Priorities include preserving local streets, roads and bridges at an estimated cost in excess of \$193 million, maintaining the Columbia-Snake River System as a freight shipping corridor, and continued rehabilitation of short line railroads. Many of the proposed new projects in the Palouse improve roads to an all-weather usability status for mobility and commerce. Additional prioritized needs address the mobility and connectivity issues for surface transportation corridors linking Washington to Idaho overland and across waterways.



Barge loading on the Snake River.

Peninsula RTPO provides regional transportation planning for the jurisdictions within Clallam, Jefferson, Mason and Kitsap Counties (population 416,650). A \$371 million list of priorities for the Peninsula RTPO region ranges from a project as large as a major state highway bypass (Belfair Bypass) in Mason County to widening Kitchen Road in Clallam County. Each of these projects will help to alleviate traffic congestion and promote safety and mobility along these roadways in these rural and suburban counties of the Olympic and Kitsap Peninsulas.



The Kitsap and Olympic Peninsulas rely on ferries for transportation.

The Peninsula RTPO regional transportation priority list also includes a number of state route/county road intersection improvements and county road improvements. The Waterfront & Coho Ferry Terminal Update project in Port Angeles will significantly impact the city's downtown and the region's international gateway and will enhance multi-modal uses.

Peninsula RTPO relies heavily upon its ferry and rural transit services. These services need to be funded in such a way as to enhance their long term sustainability.

Puget Sound Regional Council (PSRC), the RTPO for King, Kitsap, Pierce and Snohomish Counties (population 3,715,650) includes over half the population of the state. The region expects to add 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 maintaining a state of good repair for the current transportation system is the highest PSRC transportation priority.

PSRC projects and programs support the region's growth and environmental objectives, including addressing climate change, and support the region's long-term economic prosperity. Emerging priorities include:

Finish what has been started. Anticipated revenues from the 2003 gas tax increase and the 2005 Transportation Partnership Act have fallen short of finishing promised projects, and additional needs continue to be identified. 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 has 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



Container shipping at the Port of Everett.

to provide alternative, more stable funding sources for transit, as well as a longer-term solution to put transit agencies on the path towards service growth and 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. The ferry system connects Kitsap County with much of Puget Sound's eastern shore. Washington State Ferries requires a funding source to ensure stable operations into the future that is affordable to

ferry users and is adequate to fund the WSF long-range plan for vessel replacement and terminal upgrades, including additional 144-vehicle vessels.

Provide additional revenue for local roadway needs. City and county roadway systems connect interstates and other state highways to job centers, freight distribution hubs, and communities across the state. Cities and counties have growing needs to preserve local arterials and expand them to serve planned growth. The region supports new state transportation revenues to be distributed 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. Because 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 state and local transportation agencies build roadway projects that will also reduce storm water pollution, and to make separate investments in capital and non-capital storm water control mechanisms needed to control storm water runoff from roadways.

Move forward with state and regional priorities. Several highway improvement projects vital to the state's economy are located within the region. These include 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.

QuadCo RTPO, the RTPO for Adams, Grant, Kittitas and Lincoln Counties (population 160,950) has I-90 as its unifying backbone. A lattice of state highways and county roads all connect to and through that backbone. Priorities in this region include preserving local streets and roads, and bridge repair and replacement. This region has significant long-term needs for safety and mobility improvements on



Truck to rail grain transfer in Ritzville.

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 transportation is a growing need in this region, especially to connect urban centers to each other and to meet the needs of the elderly.



The Port of Vancouver is growing with room to expand.

Southwest Washington Regional Transportation Council is the MPO for Clark County and the RTPO for Clark, Skamania, and Klickitat Counties (population 456,800). The diverse region ranges from the urban development in Clark County that is a part of the bi-state Vancouver-Portland

metropolitan area to the Columbia River Gorge National Scenic Area in Skamania County, to the agricultural lands in Klickitat County. The region's slow economic climate is expected to continue with recovery still years ahead. The immediate challenge is to re-chart a course for how to respond. Although the new economic reality has created severe financial austerity, the quality, effectiveness, and efficiency of the transportation system remains at the core of how the region currently functions and how it may lift itself into economic prosperity.

The San Juan Islands is the only geographic area of the state that is not part of an RTPO; however, San Juan County works on transportation policy with the City of Friday Harbor and the county's three public ports. San Juan County residents are entirely dependent on Washington State Ferries 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.



Washington State Ferries links San Juan County to the mainland as a marine highway.

Skagit/Island RTPO provides

regional transportation planning for Island and Skagit Counties (population 196,200) and the cities within them. Priority projects represent a cross-section of urban, rural, state highway and local roadway, rail, ferry and transit needs. The region's top priority is the need for additional investment to preserve existing transportation infrastructure and services. The estimated preservation need for all jurisdictions in this region totals \$341 million for the next 10 years.

Improvements needed in Skagit County include a new BNSF bridge over the Skagit River, an arterial roadway that is a partnership between Mt. Vernon and Skagit County, and measures to improve pedestrian, bicyclist and motorist safety. Island County project needs center on SR 20 and SR 525, the highway winding the length of Whidbey Island. Projects on this corridor range from upgrading the Mukilteo Ferry Terminal, to roundabouts and pathways to improve safety and mobility, to a study of North Whidbey Island Access.



light of the current economic downturn, limited revenues, and possible new state or regional revenue discussions.

The Deception Pass Bridge was completed in 1935 for \$482,000.

Southwest Washington RTPO is the RTPO for Cowlitz, Grays Harbor, Lewis, Pacific, and Wahkiakum Counties (population 276,500). The five-county area is transitioning from a natural resources economy to expanding export trade, specialty manufacturing, and tourism. The region's priority is preservation and maintenance; however, evolution of the economy depends on improved rail and intermodal connections.

The continued economic downturn and the reduction in gas tax buying power have heavily impacted the arterial street funds and county road funds across the five-county area. Some cities have "zeroed out" their maintenance and preservation programs, while others are struggling to meet the match requirements for grants they have received for street projects.

Improved access to the region's ports is critical. For the major Columbia River Ports in Cowlitz County and the Port of Grays Harbor, this involves intermodal improvements in "the last mile" connecting rail to marine terminals. For the Lower Columbia Ports in Pacific County, highly reliant on seafood harvesting and production, as well as the inland ports in Lewis County engaged in warehousing and distribution, there is a need for continued high quality surface transportation system improvements.

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 rock slides routinely close US 12 and SR 4.

Spokane Regional Transportation Council (SRTC) is the RTPO for Spokane County (population 472,860). In December 2011, the SRTC Policy Board finalized an update to its list of regional transportation priorities. A key consideration in the Board's update process was to identify projects that will sustain and grow the regional economy. To this end, SRTC's project list identifies strategic transportation investments that will 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. In recognition of the importance of maintaining the existing transportation system, over 50% of the total funding identified on SRTC's priority list is targeted for transportation system maintenance and operations (highway and street maintenance, transit operations, and regional bikeway system maintenance). While SRTC's improvement list is not prioritized, the North Spokane Corridor (a WSDOT megaproject) and transportation system maintenance and operations are the region's top two overall priorities.

Thurston Regional Planning Council is the RTPO for Thurston County (population 252,200). While the priority projects are diverse in nature, fully 48% directly relate to the region's efforts to sustain and grow the economy. From infrastructure investments needed to spur rural economic development to retrofits of I-5 interchanges to serve existing business and industry, the priority projects promote the economic health of the region.



Intercity Transit is a popular bike-to-bus connection.

Both urban and rural priorities include multi-modal features. Two important stand-alone trail facilities are regional priorities, underscoring TRPC's commitment to an integrated, multi-modal system. Many projects include elements that will make the transportation system safer for all users. TRPC places a priority on system efficiency, which is reflected in the "Smart Corridors" project. This project - which includes the cities of Lacey, Olympia, Tumwater, as well as Thurston County, WSDOT Olympic Region, Intercity Transit, and TRPC - is a coordinated approach to improve corridor efficiency through updated signal technologies, transit system priority, and regional traffic operations. TRPC seeks to foster this kind of collaboration and creativity in the development and management of the region's transportation system.

I-90 through Downtown Spokane



Downtown Aberdeen

Whatcom Council of Governments

is the RTPO for Whatcom County (population 202,100). In outlining its regional priorities, the largest challenge may be the \$351 million investment needed for system preservation in Whatcom County. The preservation need exceeds the total anticipated cost of new and expanded transportation projects.

Projects, totaling \$306 million, range from major and minor improvements to I-5 and other state highways to building a separated pedestrian/bicycle trail along a congested shoreline road. Other priorities include upgrading several routes to all-weather roads and improving movement of international freight. Nine priority projects are located wholly in Whatcom County cities. The most ambitious and costly of these includes a mix of road, rail, sidewalk and trail improvements that are part of a 50-year Bellingham waterfront redevelopment effort.

Whatcom Transportation Authority (WTA), the regional transit system, is one of the local success stories. Recognized by the Federal Transit Administration for increased ridership, two of the priority items include acquisition of new buses and expansion of Smart Trips, WTAs trip reduction program.



Yakima Valley Conference of Governments (YVCOG) is the designated lead agency for regional transportation planning in Yakima County. The Yakima Valley MPO/RTPO serves the greater Yakima metropolitan area as well as the jurisdictions throughout Yakima County.



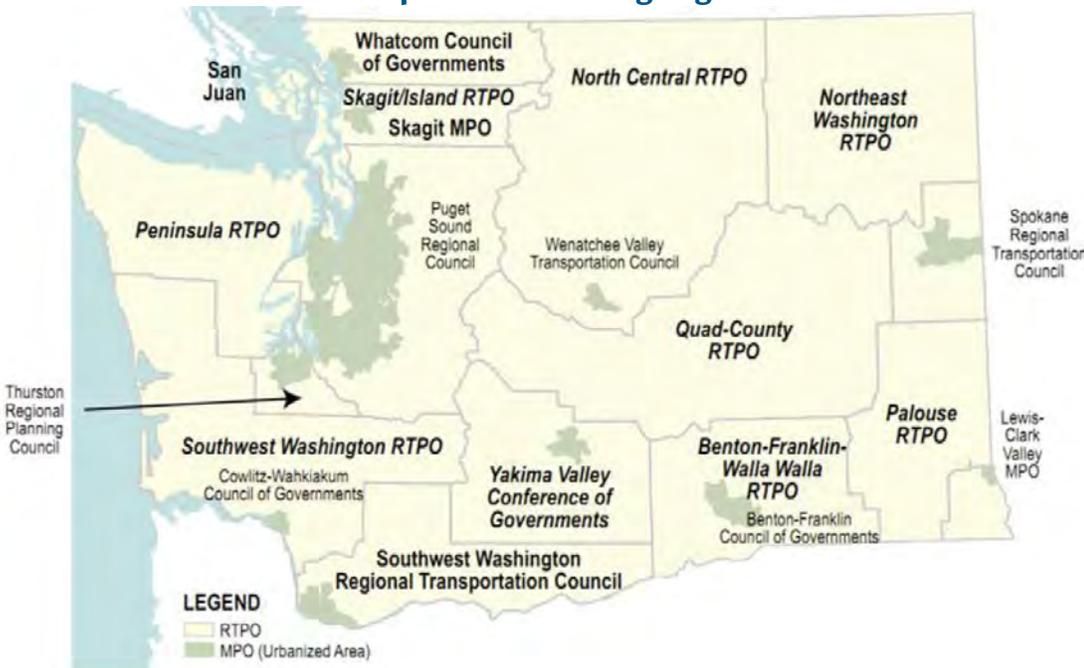
Transportation system top priorities for the Yakima Valley include preservation and maintenance (about \$306 million needed over the next 10 years), and continued public transit services (approximately \$974 million needed over the same 10 year time span). Seventeen urban and rural projects, costing about \$803 million, support connectivity and livability, and are intended to promote economic vitality.

Yakima Avenue in downtown Yakima

One regional priority project is the Gateway Corridor (estimated to cost about \$135 million) connecting the urbanized community east of the Yakima River with the services and employment in the city of Yakima and opening central properties for economic development. Preliminary design and environmental studies for this

multi-jurisdictional corridor, involving the City of Yakima, Yakima County and WSDOT, are currently underway. Another identified priority is the continuation and joining of the Yakima Greenway and the Yakima County Trail System to provide a continuous non-motorized system.

Regional and Metropolitan Transportation Planning Organizations



Commission Facts

Roles and Responsibilities

Key Facts

The 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.

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 & 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 pilot project, and any future authorized toll facilities. The Commission reviews and adjusts the state ferry system 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
- Climate change initiatives and challenges facing transportation

Public Involvement & Outreach

The Commission conducts its public outreach program primarily through meetings held in Olympia and localities throughout the state each year. Meetings held outside of Olympia focus on local and regional transportation issues and challenges, with information from local officials, public agencies, and other entities. In addition to regular meetings, the Commission 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 projects. In consultation with the Governor, the Commission may execute, reject or continue negotiations on proposed public-private partnership projects.

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 & Projects Completed Recently

- Updated the Washington Transportation Plan – a 20-year vision for statewide transportation
- Completed a Statewide Transportation Survey to assess residents' attitudes, perceptions and priorities
- Conducted a comprehensive system-wide ferry customer survey
- 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
- Completed an analysis and business plan for implementing a ferry fuel surcharge

Commissioners



Richard Ford, Chairman, King County

Richard contributes port and legal experience to the Commission. He is senior counsel of the international law firm K&L Gates LLP, and spent more than 30 years in public service, retiring in 1985 as Executive Director of the Port of Seattle. Richard has also served on a number of key boards and commissions, including Premera (Blue Cross), Casey Family Programs,

the Climate Change Transportation Work Group - a sub-committee to the Governor's Climate Advisory Team, Governor's Growth Strategies Commission, Washington State Marine Oversight Board, Citizen Advisory Panel on Council Elections, and the RTA Regional Outreach Committee. Richard was appointed by Governor Locke in 2004 and re-appointed by Governor Gregoire in 2007. Term expires June 30, 2013.



Philip Parker, Vice Chairman, 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.



Tom Cowan, 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.



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 of office that will continue until June 20, 2012.



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.



Dan O'Neal, 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 Committee 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.

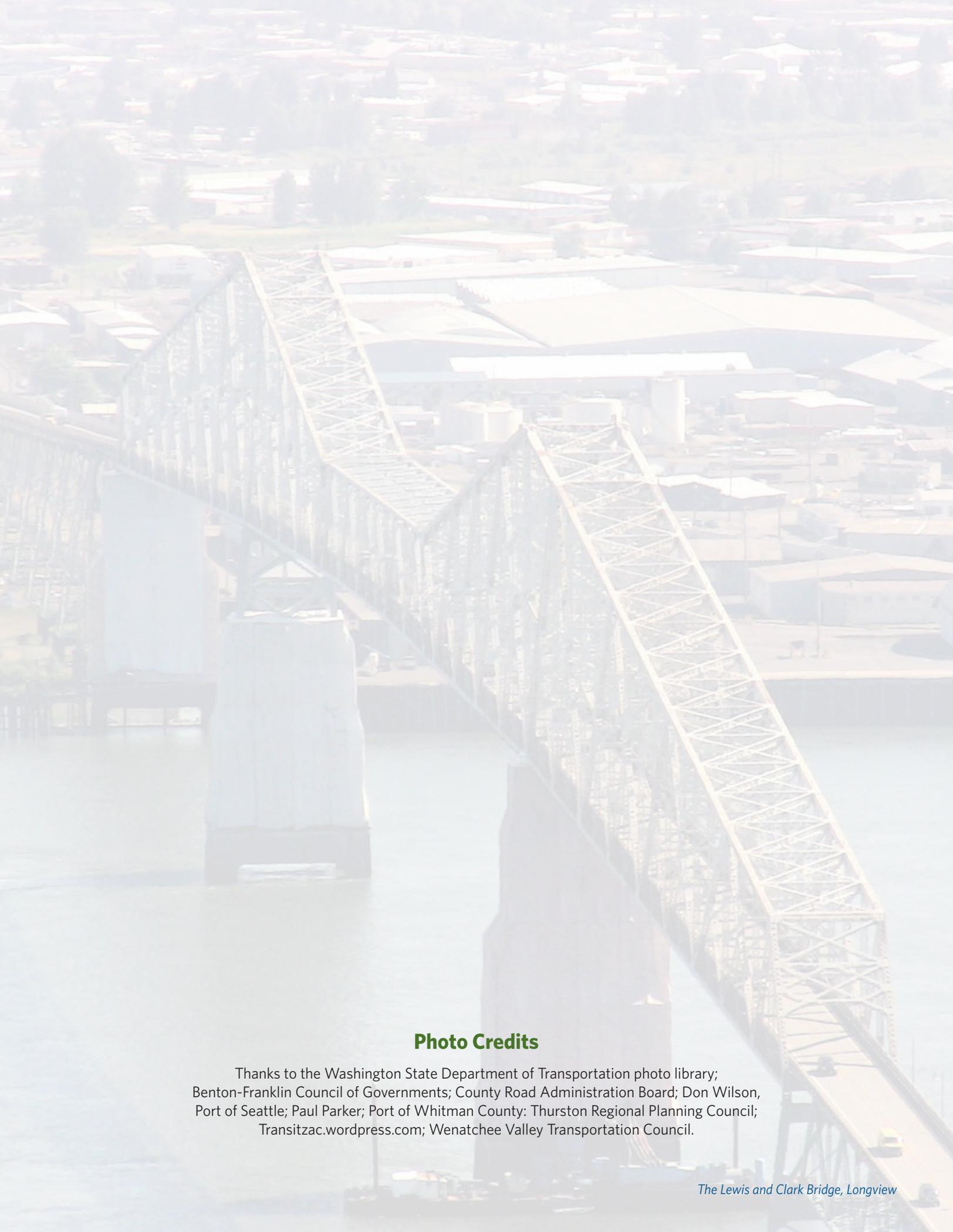


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