

WASHINGTON STATE TRANSPORTATION COMMISSION

Meeting Summary

Olympia, Washington

July 17 & 18, 2012

The regular meeting of the Washington State Transportation Commission was called to order at 9:00 a.m., on Tuesday, July 17, 2012, at WSDOT, Commission Boardroom, 310 Maple Park Avenue S.E., Olympia, Washington.

CHAIRMAN WELCOME AND INTRODUCTIONS

Chairman Dan O'Neal opened the meeting. He announced that with this meeting the Commission has moved to electronic notebooks. He also commented on the Apple Capital Loop, the successful bicycle-pedestrian path the Commission observed in its visit to East Wenatchee last month.

COMMISSION BUSINESS

Commissioner Ford moved approval of the summary of the East Wenatchee Local Meeting. Commissioner Haley seconded the motion, which the Commission adopted unanimously.

Staff presented possible locations for Local Meetings in 2013. Based on locations of previous meetings and continuing efforts to meet in different locations around the state, staff recommended the Commission consider meeting in the areas of the north Olympic Peninsula and the suburban area north of Seattle -- an area that the Commission has not visited before. For the two meetings east of the Cascades, staff recommended the Commission visit Colville, in the NEW RTPO, and Ellensburg, the largest city east of the Cascades which it has not visited since 2006.

Commissioners suggested that Centralia/Chehalis, Shelton, Goldendale, and Long Beach be considered for future Local Meetings. Commissioner Haley suggested a visit to Walla Walla after the new MPO is organized there.

Action/Follow-up: *The Commission will decide on 2013 meeting locations and dates at the October meeting.*

TOLLING WORKSHOP – ALASKAN WAY VIADUCT (AWV) REPLACEMENT TUNNEL

Linea Laird, SR 99 Project Manager, WSDOT, Kimberly Farley, AWV Director of Operations, WSDOT and Mark Bandy, Traffic Engineer, WSDOT briefed the Commission regarding the Advisory Committee on Tolling and Traffic Management (ACTT). This joint effort between WSDOT and the City of Seattle has developed some initial tolling scenarios for the AWV Replacement Tunnel. Traffic modeling of the scenarios use a revised traffic model. While based on the PSRC Traffic Model, the new model is more localized and considers city street operations.

The modeling assumptions:

- Approach consistent with SR 520 toll financing
- Value of time consistent with SR 520 studies
- No toll rate escalation

Commissioners asked why the value of time used for SR 520 is used as an assumption for AWV/Tunnel modeling. Commissioners also asked why the tolling scenarios look at options that do not raise the minimum \$200 million target. WSDOT Staff responded that the ACTT wants to understand the consequences of tolling on city streets and other routes. There was further discussion and a question was raised in regards to the value of time assumptions. The traffic engineer confirmed that a critical assumption in the revenue modeling is the value of time. If the value of time estimate is too high the revenue results may be overstated.

Commissioners also asked why the model indicates diversion from the tunnel to I-5 at lower toll rates when I-5 is full but no diversion to I-5 at a higher toll rate.

One initial conclusion is that mid-day diversion will be significant regardless of the toll amount.

General observations:

- Congestion exists even in a no toll scenario.
- Where capacity is added, for example, Alaskan Way, or reconnecting streets such as Harrison Street, drivers will use it.
- Those who use the tunnel will save time compared to city streets.

Observations about rate structure:

- Southbound tolls resulted in higher diversion than we anticipated. We should test similar northbound and southbound tolls in future scenarios to encourage tunnel use.
- As expected, higher toll rates result in more diversion. We see that especially on Alaskan Way and Western Avenue during the evening peak period.

Time of day observations:

- Even modest mid-day tolls led to some diversion and may affect revenues.
- P.M. peak tolls caused some areas to experience more congestion and other areas to operate a little better.

Geographic observations:

- When I-5 is congested, cars leave it for city streets east of the highway.
- Lower tolls don't result in much change in congestion intensity in the downtown core compared to the No Toll Benchmark.
- Higher tolls affect the southbound streets (1st, 2nd and 3rd) between Stewart Street and Belltown as drivers avoid the tunnel and work their way to Alaskan Way and SR 99.

No future ACTT meetings are likely until late August.

Action/Follow-Up: *The ACTT Staff will update the Commission in October and December.*

[SR 99 Base Map](#)
[SR 99 Tunnel Project](#)

TACOMA NARROWS BRIDGE (TNB) QUARTERLY REPORT

Craig Stone, Director, Toll Division, WSDOT noted that in the two weeks since the July 1 toll increase, there has been a 2% reduction in travel from 2011 to 2012. Cash payments are down about 11%. Compared to 2010, now that photo tolling is available, cash toll collection is down from 28% to 24% of transactions. Photo tolls comprise about 8% of transactions.

Summary findings on 2012 traffic and revenue

- June forecast for FY 2013 projects about \$1 million less toll revenue than projected during rate-setting, primarily due to fewer photo tolling customers. Total for 2011-2013 biennium is reduced by \$1.9M.
- Fee and civil penalty revenues also reduced for the same reason.
- FY 2013 ending fund balance is \$2.5M less than forecast for rate-setting, but still equals 14.3% of expenses, or \$1M over sufficient minimum balance.
- New agreement between WSDOT, the Commission and State Treasurers' Office changes rules for withholding funds for debt service. The rule change proposed for 2012 that would withhold debt service funds over six months prior to payment from the debt service account has been set aside. Future year projections now show 5 month withholding, which prevents most payments from crossing fiscal years.
- Civil penalty hearings began in May. Reduced civil penalty revenue has not yet resulted in changes to the budget plan for adjudication expenses. The program is likely to be scaled back to meet lower service levels.
- Over the next few months WSDOT will conduct cost allocation study and better information on collection costs

Action/Follow-Up: *Continue to monitor TNB traffic and revenue.*

SR 167 TRAFFIC AND REVENUE UPDATE

Craig Stone, Director, Toll Division, WSDOT and Tyler Patterson, Toll Operations Engineer, WSDOT presented information on SR 167 traffic and revenue.

After four years, on GP lanes:

- NB speed at peak increased from 44 mph to 51 mph
- SB speed at peak increased from 42 mph to 56 mph
- Volume down 11%

In April 2012, 3400 tolled trips per weekday, twice the amount in April 2009. Average monthly revenue exceeds average monthly operating costs by \$15,000.

The SR 167 HOT Lanes Pilot ends June 30, 2013 without legislative action.

Action/Follow-Up: *None.*

SR 167 Traffic and Revenue Update

I-405 EXPRESS TOLL LANES STUDY UPDATE

Craig Stone and Kim Henry, I-405/SR 167 Project Director, WSDOT discussed the I-405 Master Plan. The 2002 Regional Consensus called for two Express Toll Lanes and three GP Lanes in each direction and numerous transit improvements including a Bus Rapid Transit system, 9 new transit centers, a 50 percent transit service increase, HOV direct access ramps and flyer stops, and 5000 new Park & Ride spaces.

The work to widen I-405 and add Express Toll Lanes between Bellevue and Lynnwood is underway. The Commission's independent traffic and revenue study for the entire I-405/SR 167 corridor is nearing completion.

Action/Follow-Up: *WSDOT and the Commission will meet in November with the I-405 Executive Advisory Group to discuss progress, review study results, and next steps.*

I-405 Express Toll Lanes Study Update

SR 520 TOLLING

R.Scott Bacsikin, P.E., Area Manager, Program Management, HDR reported on HDR's independent evaluation of SR 520 tolling. HDR looked at:

- Toll operations and maintenance
- Facilities Operations and maintenance
-

Next HDR will be looking at: projected vs. actual cost.

Actual traffic is higher than projected. And 50% fewer pay by mail than expected prior to the start of tolling, which results in lower costs.

CDM Smith's September forecast will be based on 6 months of actual experience and an updated regional economic forecast.

- Expectations are that gross revenue estimates will remain largely unchanged, at least in the short run.
- The "Net Revenue" report will be updated in September to match the new forecast and actual experience.

Implications for 2013 Rate-Setting

- Has the 13-15 net revenue target changed? Compare to the current finance plan, based on CDM Smith's Investment Grade Study from last fall.
- Financial plan covers commitments for O&M, debt service, cash for SR520 construction, and deposits to mandatory reserves.
- Through May, toll receipts have met projections.

Action/Follow-Up: *The current plan will be updated in September. All new information will be available in early October.*

SR 520 Tolling

COLUMBIA RIVER CROSSING (CRC) UPDATE

Nancy Boyd, Director, CRC Office, WSDOT provided an overview and update of the Columbia River Crossing project. Major reasons to build the CRC are to improve safety and reduce congestion.

Bridge design considerations include all of the following:

- Cost
- Schedule
- Bridge foundations
- River navigation
- Air navigation

- Freight travel time
- Transit travel times
- Access to downtown Vancouver
- Roadway safety – sight distances, grades, etc.

Current Permitting Work includes:

- Vessel analysis during June and July to assess information provided by river users and identify potential impacts and develop a range of mitigation strategies for each vessel.
- Business impact analysis in Fall 2012. CRC will work with vessel owners, businesses, and/or property owners to identify most appropriate mitigation strategy
- Economic impact analysis in Fall 2012. Assess the regional benefits and impacts of replacing the I-5 bridge versus no action to I-5 users, river users, and the region as a whole.
- On-going coordination with the Coast Guard.

The goal is to reach agreement on a path forward by end of year, using information from vessel analysis, affected parties, and economic impact analysis

Funding Plans:

- New Starts (\$850 million FTA Request)
- FHWA (\$400 million)
- Washington/Oregon State Funds (trying to secure commitment in 2013)

Some Commissioners asked how much money should be spent planning and nudging along this project when there is no money to build it. Others commented that the CRC is at the stage that other big projects were a few years ago.

CRC traffic and revenue study

Craig Stone and Terri Slack (Jacobs) updated the Commission on the CRC traffic and revenue study. WSDOT is requesting proposals from consultants with national investment grade study experience.

- Consultant anticipated to be on-board this fall.
- Consultant will advise during planning stages and complete studies for toll revenue financing.
- Work will be managed by bi-state group with representatives from:
 - ODOT and WSDOT
 - Oregon State Treasury and Washington State Treasurer's Office
 - Columbia River Crossing project

Initial data gathering and model development through mid-2013.

Scenario development and sensitivity testing beginning early 2013 per budget proviso.

- Include legislative report topics: HOV exemptions; variable rate tolls; frequency-based rates; toll revenue impact of light rail and diversion; and revenue estimates for trips from within and outside the region
- Include transportation commission's questions and concepts
- Technical assistance for toll rate setting starting late 2013
- Analysis for TIFIA application (*tentatively late 2013*)
- Completion of investment grade report to support sales of toll-backed bonds starting late 2013

Tolling Assumptions

Pre-completion tolling beginning in 2015. The Finance plan assumes TIFIA loan backed by toll revenue as well as other toll-backed, state and federal funding.

In development: timing, rates, O&M, business rules, adjudication, enforcement, and collections. Responsibility for toll rate setting is assumed to belong to both Washington and Oregon under their respective Transportation Commissions.

Bi-State Governance and Tolling

WSDOT, ODOT state Treasurers, state legal advisors and CRC are identifying governance issues and structures.

Proposed Schedule:

- Late July: Bi-state group meets to discuss pros and cons of options
- Late July: ODOT and WSDOT executive review of options
- August: Transportation Commission Tolling Subcommittee briefed on options
- September: Joint meeting of Oregon and Washington Transportation Commissions
- December: Joint Commission agreement finalized

Action/Follow-Up: September Joint meeting of Oregon and Washington Transportation Commissions.

CRC Update

PUBLIC COMMENT

Paul Locke commented on the lower income available to people who live off investments. He opposes more borrowing and recommends that all future projects be built on a cash basis.

Axel Swanson, Senior Policy Analyst for the Clark County Board of County Commissioners spoke to the request from Clark County asking that a tolling advisory committee be set up from CRC tolling. Some members of the Commission said the request may be premature and also too narrow. Chairman O’Neal said that the Commission would consider the request at a later date, after further discussions with WSDOT and the Oregon Commission.

COMMISSION BUSINESS

The Commission directed staff to activate the ferry naming process for the two 144-car ferries under construction. The Commission will take action on naming the ferries at its November meeting in Tacoma.

Commissioner Cowan moved appointment of members of the Road User Charge Steering Committee. Commissioner Haley seconded the motion. Motion was approved.

Commissioner Cowan also moved that the Commission delegate to the RUC Team appointment of the business representative on the Road User Charge Steering Committee. Motion was approved.

Staff briefed the Commission on two proposed budget packages. One seeks consultant services for rate-setting support. The other seeks funding, including consultant services, for developing and producing The Next WTP.

Commissioner Parker moved the Commission staff proceed with a budget package for consultant services, with final approval authority delegated to the Chair. Commissioner Haley seconded the motion and it was adopted.

Commissioner Litt moved the Commission submit a budget package for development of The Next WTP. Commissioner Haley seconded the motion and it was adopted.

Staff proposed an outline and process for developing the 2012 Annual Report, including discussions over the next month with each Commissioner.

The Commission agreed to schedule a one-day retreat after the election.

TRANSPORTATION IMPROVEMENT BOARD (TIB) OVERVIEW

Steve Gorcester, Executive Director, TIB provided an overview of TIB and its dashboard.

Although the statute specifies 5,000 population for TIB preservation assistance, TIB now uses \$2 billion assessed valuation as the assistance threshold, which allows it to service cities such as Shelton and Aberdeen.

TIB priorities for new investment:

- \$30 million/year for urban construction grants
- Expanding preservation eligibility to \$10 million/year
- Retrofit to solid state street lighting: \$2.5 million/year

TIB is developing a new selection process for 2013. It will align with the state's six transportation policy goals.

Action/Follow-Up: None.

[TIB Overview](#)

INRIX CONGESTION REPORT AND INRIX ANALYTICS

Ted Trepanier, Executive Director, Public Sector, INRIX and Ken Kranseler, Vice President, Product Development, INRIX talked about INRIX traffic data services and the Traffic Scorecard. Inrix aggregates multiple sources of information, such as taxi cab, trucking fleets. It also uses event schedules as an input for predictive work.

The I-95 Corridor Coalition uses the Inrix Vehicle Probe Project to monitor traffic throughout the I-95 system. Applications include cross-border monitoring, travel times on signs and websites. Payment for the data is made once and it is made available for use by all.

INRIX is now providing traffic data services for WSDOT. INRIX also provides real-time and predictive traffic flow for Clark County.

The scorecard provides apples-to-apples comparisons between metros and countries. It documents day-by-day, hour-by-hour, and month-by-month comparisons. It is an open site with free access.

Every single metro area in US saw congestion index decrease from 2010 to 2011. The decline has continued, at a reduced rate. Seattle is 7th or 8th most congested metro in US.

Action/Follow-Up: None.

[INRIX Congestion Report](#)

FROG SURVEY UPDATE

Bill Svendsen, Market Decisions Corporation presented the results of the 2012 Winter Ferry Rider's Opinion Group survey. The main objective of the 2012 Winter research is to understand from the ferry riders' prospective their travel behavior, opinions, and attitudes regarding important issues currently facing the WSTC and WSF.

This overall objective resulted in the following areas of exploration:

- Winter travel activity – ferry travel from January 3 through March 27, 2012.
- Customer satisfaction – measure importance and satisfaction of terminal conditions, walk-on and transit services, toll booth interactions, loading and unloading procedures, vessel conditions, vessel crew interactions, on-time arrival and departures and WSF website and telephone services.
- Household make-up – gauge household composition and ferry travel activity during the winter months.
- Fare structure – measure support and impact of small car discounts.
- Transit connections – determine impact of transit connections on ferry travel.
- Tacoma Narrows Bridge – understand impact of Tacoma Narrows Bridge travel on ferry traffic.
- Demographic characteristics of ferry customers – travel patterns, WSF satisfaction and demographic data.

A total of one thousand seven hundred fifty-four (n=1,754) ferry riders completed the Winter 2012 survey between May 3 and May 15, 2012, yielding a maximum sample variable of +/- 2.3% at the 95% confidence level.

There were no significant changes in the make-up of ridership.

The summer survey will focus on recreational riders.

The new Voice of Washington regional forums are underway. The statewide survey will be conducted in the fall.

Action/Follow-Up: None.

[FROG Survey Update](#)

WASHINGTON STATE FERRIES UPDATE

Two new 144-car ferries are underway. One is under construction; notice to proceed on a second will be issued before fall.

Ray Deardorf reported that ridership is up (barely) in FY 2012 over FY 2011. Vehicle traffic is up 0.1 percent and passengers are down 0.1 percent. Revenue is up 5.1 percent over FY 2011. This reflects the fare increases and the capital surcharge. Ridership is up 0.5% compared to June 2011 forecast.

The capital surcharge has raised a total of \$2,544,970 from October 2011 through June 2012. Legislative budget plans (based on the February 2012 forecasts) projected \$6,311,000 from the surcharge in the 11-13 biennium and \$7,788,000 in the 13-15 biennium. The latest revenue estimates from the June 2012 forecasts are \$6,281,000 in the 11-13 biennium and \$7,853,000 in the 13-15 biennium.

The capital surcharge disproportionately impacts:

- passenger fares;
- shorter routes; and
- routes where fares are collected in both directions.

The capital surcharge translates to an increase of 8.8 percent to the Port Townsend one-way passenger fare and an increase of 0.6 percent to the Anacortes-Friday Harbor round trip base season standard vehicle fare.

WSF plans to begin a fare development process in Spring 2013, moving toward new fares for October 1, 2013. It will be convening the Ferry Advisory Committee – Tariff in late July.

Capt. Capacci briefed the Commission on the implementation of the reservation system. Reservations can be made by all customers on Port Townsend-Coupeville and Anacortes-Sidney routes and by commercial account customers on San Juan Island routes.

About 94% of people reserving space show up. This compares to 61% last year during July 4 week at Pt. Townsend-Coupeville, before a deposit was required.

Phase 2 aims to open all routes to commercial account reservations and expand to the San Juan Islands by 2014. Phase 3 aims for expansion to the Central Sound routes.

Action/Follow-Up: *Participate in FAC-T meetings and WSDOT ferry tariff development.*

WSF Update

PUBLIC COMMENT

Adam Brockus, Bremerton City Councilman, talked about the importance of maintaining a full sailing schedule and not cancelling sailings. He emphasized that each route is different; he is skeptical that a reservation system will work on Bremerton-Seattle run. He is a member of FROG and suggested placing a terminal on each vessel.

David Moseley responded that WSF has cancelled 29 sailings since January 1 due to short staffing. He recognizes the inconvenience. Twelve of the 29 cancellations have been on the Pt. Defiance-Tahlequah route. Moseley doesn't think it is reasonable to exceed minimum safe staffing levels to ensure to sailings are missed; instead, he wants to work more closely with labor to ensure sailing schedules are met.

JUNE TRANSPORTATION REVENUE FORECAST

Lizbeth Martin-Mahar, Assistant Director, Economic Analysis, Budget & Financial analysis, Strategic Planning & Finance Division, WSDOT Net reported that collection would be down about \$5 million from previous forecast, without new revenue enhancements passed in 2012.

Motor Vehicle Fuel taxes are drag on the current forecast:

- Nearly 1% decline for the current biennium
- Decline grows over the forecast horizon to nearly 2%

Action/Follow-Up: None.

June Transportation Revenue Forecast

The Commission recessed at 4:05 pm until Wednesday.

TRANSPORTATION COMMISSION



DAN O'NEAL, Chairman



TOM COWAN, Vice Chairman

DICK FORD, Member



PHILIP PARKER, Member



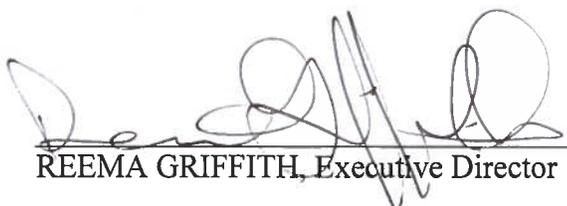
JERRY LITT, Member



ANNE HALEY, Member

JOE TORTORELLI, Member

ATTEST:



REEMA GRIFFITH, Executive Director



DATE OF APPROVAL