

# WASHINGTON STATE TRANSPORTATION COMMISSION

## Tacoma, Washington

November 13, 2012

### Meeting Summary

The local meeting of the Washington State Transportation Commission was called to order at 8:30 a.m., on Tuesday, November 13, 2012, at Tacoma City Hall, Council Chambers, 747 Market Street, Tacoma, Washington.

#### **CHAIR WELCOME AND COMMISSION INTRODUCTIONS**

Chairman O'Neal opened the meeting by asking the members of the Commission to introduce themselves to the Tacoma audience.

#### **TRANSPORTATION 101**

After the introductions, Commission staff presented Transportation 101.

Kevin Dayton, WSDOT Olympic Region Administrator presented information about key state projects in the Tacoma area.

- The SR 167 Tolling Study is complete and phasing options for completing SR 167 from Puyallup to the Port of Tacoma have been developed. Phase I, to build one-lane in each direction, is priced at nearly \$1 billion for the 6-mile connection. Full build-out is priced at \$1.5 billion. Tolling is projected to help manage traffic and forestall expansion to two lanes for 20-25 years.
- Extending I-5 HOV Lanes from Port of Tacoma to SR 16, including widening I-5 through downtown Tacoma and building an additional Puyallup River bridge.
- Improving I-5 traffic flow through Joint Base Lewis-McChord. The congestion is due partly to growth of the base, but also due to the growth in the entire South Sound.

*Action/Follow-Up: None*

#### **CITY TRANSPORTATION ISSUES, NEEDS AND CHALLENGES**

Mayor Strickland welcomed the Commission and talked about the changes in Tacoma, both a transportation hub and the economic engine of the South Sound. SR 167 is very important to move traffic to and from the Port, and a connector to the rest of the state.

Dick McKinley, Public Works Director of Tacoma, talked further about the regional connections in Tacoma, from Sounder Commuter Rail to the port to I-5 and SR 16.

Interstates divide neighborhoods and drive traffic from local roads to the freeway. Tacoma roads are in poor shape: the overall road network score is 42, and projected to drop to 35. The City is about \$8 million behind in pavement maintenance alone. In addition, McKinley cited the \$7.3 million SE 64<sup>th</sup> Street project and the \$120 million replacement cost of the Puyallup River bridge as major needs.

Funding options the City has considered are:

- Levy lid lift – won't work because property values dropped by 10%
- TBD will generate only \$2.5 million a year
- Would prefer to create a street utility
- Would like to have a city road levy. Cities might be willing to swap gas tax to state for road levy authority.

About \$18 million of 2013-14 general fund budget is directed to transportation. The City does not have any banked capacity.

Commissioners noted that one of the key questions in Olympia is “How much effort to raise revenue should be expected locally?” McKinley noted that Tacoma voters have stepped forward and supported transit levies and that the Tacoma City Council tonight will move forward with a TBD.

*Action/Follow-Up: None*

### **COUNTY TRANSPORTATION ISSUES, NEEDS AND CHALLENGES**

Pat McCarthy, Pierce County Executive, told the Commission that Pierce County is home to 800,000 residents and 23 cities and towns. Ms. McCarthy is Chair of Sound Transit and Vice-Chair of the PSRC Transportation Board.

Pierce County's principal transportation arterials are state highways. Pierce County owns and operates two airports and operates a ferry system. The Regional Centers include South Hill, Frederickson, Lakewood, Puyallup, Tacoma Mall, Port of Tacoma and Downtown Tacoma. The major routes connecting the industrial area of Frederickson to the rest of the county are county and city roads, such as Canyon Road. The proposed Canyon Road extension will improve connections between Frederickson and the Port of Tacoma.

Public Works Director Brian Ziegler highlighted county and city transportation needs throughout Pierce County, including the 176<sup>th</sup> Street Corridor, the Fife interchange, and the Cross-Base Highway. The Cross-Base Highway connects 200,000 citizens in SE Pierce County to I-5 and the transportation network. Ms. McCarthy believes that many of the environmental concerns with the project have been addressed. Mr. Ziegler noted that a Record of Decision has been issued.

Ms. McCarthy emphasized that some communities are richer than others and we cannot balkanize the system. No cities have yet funded a TBD, although University Place has one in place. Unlike King County, citizens in Pierce County are not greatly supportive of revenue increases. The County is assessing property at the full levy authority.

*Action/Follow-Up: None*

### **PORT ISSUES, NEEDS AND CHALLENGES**

Don Meyer, Port of Tacoma Commissioner, spoke to the Commission about the Port's Strategic Plan and the need for completing SR 167. The Port of Tacoma is part of the 3<sup>rd</sup> largest trade corridor in the country.

Railroads are promising delivery times that are faster than ever. Competition from Long Beach and Canada is fierce. Asian traffic has shifted from Japan to China and the travel time advantage the

Pacific Northwest once had is gone. BC is planning to invest \$25 billion in infrastructure. And, the widening of the Panama Canal provides shippers additional options.

Port Agenda:

- Develop highly efficient container terminal on central peninsula
- Ensure efficient navigation for larger ships
- Expand tideflats rail capacity
- Improve mainline performance and capacity
- Develop Blair Waterway bulk facility
- Improve customer care

The Port of Tacoma Strategic Plan has adopted 10 targets for 10 years.

- Double container volume to 3 million TEUs
- Double dry bulk to 12 million metric tons
- Increase breakbulk by 30% to 200,000 short tons
- Increase auto imports by 20% to 200,000 units
- Improve port operating margin by 30%
- Increase net income by 50%
- Increase return on assets by 35%
- Clean up 200 additional acres of port-owned contaminated property
- Reduce diesel pollution from cargo operations by 85% from 2005 baseline
- Increase port-related direct jobs by 4700 and indirect jobs by 2000

*Action/Follow-Up: None*

## **REGIONAL ACCESS MOBILITY PROJECT**

The Regional Access Mobility Project (RAMP) identifies regional economic and transportation priorities. It educates coalition partners and provides a unified voice. RAMP is co-chaired by the County, the Port of Tacoma, and the Tacoma-Pierce Chamber of Commerce.

Tom Pierson, Chair of the Tacoma-Pierce Chamber identified the RAMP priorities:

- Complete SR 167 – will generate 80,000 jobs
- Protect project funding
- Address JBLM Congestion
- Build SR 704, the Cross-Base Highway
- Extend SR 167 HOV/HOT Lanes
- Improve local revenue options and sources
- Fund public transportation

Commissioner Ford emphasized that the state transportation funds are going broke. And, the Governor-elect does not appear to have prioritized transportation funding.

Mr. McCarthy also expressed concern that MAP-21 expands the number of highways eligible for dwindling federal funds.

*Action/Follow-Up: None*

## **COMMISSION BUSINESS**

***Commissioner Parker moved approval of the October meeting summary. Commissioner Haley seconded the motion and it was adopted unanimously.***

The Commission then turned to naming the two Olympic Class ferry vessels under construction. Groups that proposed names spoke in support of their names.

- Rick Jensen spoke for the Muckleshoot Tribe, advocating the name “Muckleshoot.” The Tribe is the second largest employer in South Puget Sound, with 3500 jobs on the reservation alone.
- Susan Berta and Howard Garrett of the Orca Network, advocated for the name “Tokitae.” It comes from Chinook jargon and was the name of one of the last Puget Sound orcas captured in 1976 and held in captivity. They also support the name “Samish.”
- Sheriff Mark Nelson of Cowlitz County advocated for “Cowlitz.” The County is the site of the Monticello Convention, which petitioned for statehood and is part of the crossroads linking Puget Sound to the Columbia River.
- Nicole Tesch and Leslie Eastwood, General Manager of the Samish Nation, advocated for “Samish.” The name means “the Giving People.” The Samish Tribe is committed to sharing the ancestral language and has helped to name some of the orca whales in J-Pod.
- Frank Shea, Hoquiam City Administrator, advocated for the name “Hoquiam.” Hoquiam has a long maritime history and today has a thriving port and a major shipyard.
- Judy Clark advocated for naming a ferry for “Ivar Haglund.” The idea originated from a newspaper and would honor someone who promoted eating clams and preparing salmon in the native way, cooked on alder planks.
- Don Gerend, Councilman from the City of Sammamish, advocated for the name “Sammamish.” The name means “meandering dwellers,” or “willow people.”

Commissioner Cowan reported that the Commission’s Ferry Team reviewed all of the proposals, and has considered each of the names proposed. The Ferry Team recommends naming the new vessels “Tokitae” and “Samish.” Washington State Ferries also supports the two names.

***Commissioner Cowan moved the first Olympic Class ferry be named “Tokitae” and the second be named “Samish.” Commissioner Haley seconded the motion.***

***Commissioner Parker moved that the motion be amended to name the second vessel “Cowlitz.” There was no second.***

***The Commission adopted the motion unanimously.***

Commissioner Ford emphasized that the viability of the state’s ferry system requires that more boats be built. When that happens, he encouraged other advocates to return with their recommendations in the future.

*Action/Follow-Up: None*

## **PUBLIC TRANSPORTATION ISSUES, NEEDS AND CHALLENGES**

Lynne Griffith, CEO of Pierce Transit, provided a demographic perspective of Pierce Transit ridership:

- 56% of the ridership come from households with annual incomes under \$20,000
- 45% lack a working vehicle
- 23% ride the bus to work and 20% to school or college

Proposition 1, on the November ballot, remains too close to call. A PTBA boundary revision shrank the service area from 19 jurisdictions to 14 and from 414 square miles to 292 square miles. If approved, Proposition 1 adds an additional 0.3% sales tax and a 23% service improvement over 6 years. If defeated, Pierce Transit will reduce service by 53% by 2014.

The focus of the Proposition 1 debate has been over the sales tax increase; it would make the sales tax within the PTBA the highest in the state. Since enactment of I-695 and the loss of state support for public transportation, the burden for funding transit now is borne almost entirely by local citizens.

### Pierce Transit

Rachel Smith of Sound Transit talked about the regional transit projects in Pierce County and South King County:

- In October 2012, Sounder Commuter Rail was extended south to Lakewood. Currently there are 550 daily boardings in Lakewood and S. Tacoma.
- Sounder makes nine round trips per day between Freight House Square and Seattle.
- Tacoma Link, a 1.6 mile route, has over 3,000 daily boardings. Currently engaged in early scoping of six possible expansion alternatives. Selecting a preferred alternative in March 2013.
- Link will move south from Sea-Tac to Kent/DesMoines (200<sup>th</sup> Street) by 2016 and Sound Transit is planning for eventual extension to Federal Way Transit Center.
- ST has taken ownership of the rail line from Freight House Square to Nisqually.

To date, Sound Transit has built over \$4 billion of infrastructure, from light rail to HOV ramps, to parking garages. ST is now serving 27 million riders.

Today, ST revenue expectations are about 30% less than forecast when ST2 was approved by voters in 2008.

### Sound Transit

*Action/Follow-Up: None*

### EASTSIDE CORRIDOR INDEPENDENT TRAFFIC AND REVENUE STUDY

Jeff Buxbaum, Cambridge Systematics, presented the Final Report on the proposed 40 mile Express Toll Lanes on I-405/SR 167. Scenarios examined included HOV 2+, HOV 3+, and an HOV Discount Toll Policy. Variable and flat toll rates were examined.

In general, the HOV 3+ scenario is projected to generate 22% more revenue than HOV 2+ in 2030.

Important Takeaways: Revenue (slide 22)

- Independent revenue forecast narrowed the gross revenue range used by WSDOT

Important Takeaways: Operations (slide 23)

- Corridor demand will exceed capacity
- Little difference in system performance between HOV 2+ and HOV 3+ scenarios
- Frequent access points adversely impact system performance
- Express lane performance affects GP performance (and vice-versa)

Craig Stone, Director, WSDOT Tolling Division, talked about the next steps for the I-405/SR 167 Corridor. He acknowledged that no Express Toll Lanes have been built in the US using toll revenue. He noted that since the 2009 study, there are changed population and economic forecasts, a recession, and a different willingness to pay. Start-up assumptions on ramp-up and opening date have changed.

WSDOT has used CDM Smith to augment the 2012 Cambridge Study. WSDOT believes that Express Toll Lanes are the best way to manage congestion in the corridor and that there is a revenue stream that can be used to transform the corridor.

Commission staff noted that the revenue projections on Slide 9 overstate the CS revenue estimates by \$1 billion - \$2 billion. Stone explained that WSDOT has adjusted gross toll revenue estimates (slide 9) by inflating the gross revenue to reflect year of collection, rather than CS estimate in 2012 dollars. WSDOT has translated CS gross revenue to net revenue to bonded revenue projections. WSDOT also disagrees with the CS HOV 2+ revenue projections. WSDOT does not think an HOV 2+ system will function successfully. Commission staff raised the concerns about inflating gross revenues and then leveraging and bonding against the inflated revenue. Additionally, staff commented that it was inappropriate to represent the inflated numbers as if they were from the CS report, which they were not.

WSDOT anticipates working with the Commission, with the State Treasurer, and with the I-405/SR 167 communities to determine how to move forward. Some of the potential future projects –such as improving HOV/HOT connections between I-405, I-90 and SR 520 – could be assigned to I-90 or SR 520 project costs. The total of seven potential I-405 projects cumulatively total to \$3.5 billion.

WSDOT plans four meetings of the I-405 Executive Advisory Group in January – April 2012.

***Commissioner Haley moved that the Commission accept the Final Report from CS. Commissioner Parker seconded the motion and it was passed unanimously.***

### **I-405/SR 167 Corridor Next Steps**

*Action/Follow-Up: None*

### **TACOMA NARROWS BRIDE TOLLING UPDATE**

Mr. Stone provided an update on TNB Toll Rate Setting. Both traffic and revenue for the first quarter are slightly over the forecast on which the FY 2013 tolls are based.

### **TNB Annual Financial Plan** **TNB FY2013 Reported Traffic and Revenue**

*Action/Follow-Up: None*

## **PUBLIC COMMENT**

Paul W. Locke told the Commission that we must stop borrowing and spend within our means.

Ron Lucas, Mayor of Steilacoom, is a Pierce County representative to PSRC. He expects to see continuous growth of JBLM. He recommends we receive a briefing on the South Sound Military Group from Denny Penrose at the City of Lakewood.

He agrees that cities and towns need to look at TBDs. He would suggest adding a license fee based on mileage. He would not issue grant money to communities for design – that should be part of the local match.

**TRANSPORTATION COMMISSION**

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DAN O'NEAL, Chairman

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TOM COWAN, Vice-Chairman

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PHILIP PARKER, Member

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DICK FORD, Member

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JERRY LITT, Member

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ANNE HALEY, Member

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JOE TORTORELLI, Member

ATTEST:

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REEMA GRIFFITH, Executive Director

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DATE OF APPROVAL