

WASHINGTON STATE TRANSPORTATION COMMISSION

Regular Meeting Summary

February 17 & 18, 2015

Chairman Haley opened the meeting at 9:00 a.m.

COMMISSION BUSINESS

Commissioner Litt moved adoption of the January 21 & 22, 2015 meeting summary. Commissioner Tortorelli seconded the motion and it was approved unanimously.

SAFE STREET DESIGNS

Paula Reeves, Community Design Manager, Engineering Policy & Innovation Division, WSDOT, Dan Mathis, Division Administrator, FHWA, and Dongho Chang, P.E., City Traffic Engineer, City of Seattle Department of Transportation, talked about the Safer People, Safer Streets initiative.

A new USDOT assessment of bicycle safety is being led by the Federal Motor Carrier Safety Administration (FMCSA). There will be additional assessments late spring and summer in each WSDOT region; the focus will vary.

Commissioners suggested that the review look at bicycle safety on rural county roads. Commissioners noted that drivers' attitudes and lack of a shoulder both contribute to collisions. It also was noted that sometimes bicyclists create the problems.

USDOT Secretary Anthony Foxx launched the "Mayors' Challenge for Safer People and Safer Streets" in January 2015. Mr. Mathis showed a portion of the video about Poynton, England demonstrating how road-sharing slowed traffic and improved both safety and traffic flow.

Commissioner Litt noted that the concepts shown in the video are not new; Lacey transitioned to roundabouts in the 1990s. It was discussed how drivers in the US are very destination-focused; courtesy and caution sometimes are viewed as obstructions to the destination.

Commissioners emphasized the need to have the engineering community buy into the approach, and the Manual on Uniform Traffic Control Devices (MUTCD) needs revision. Mr. Mathis agreed that engineers need retraining and that federal manuals and staff are part of the problem. It is going to take time, but it is a long journey.

Commissioner Riveland asked if FHWA is working with bicycle tour groups.

Mr. Chang told the Commission that pedestrians, bicyclists and motorcycle riders are 4% of road users and 50% of fatalities. Seattle has adopted a Vision Zero Plan to eliminate fatalities.

Seattle population is fastest growing city in the nation and urbanizing rapidly; its population is up 11% from 2003-13, but vehicle miles traveled is down 10%. Downtown Seattle hosts 200,000 jobs – the same as Bellevue and Redmond combined.

Mr. Chang emphasized that vehicle speed is critical. While 9 of 10 pedestrians survive a collision at 20 mph; only 1 of 10 survives at 40 mph.

Seattle has implemented a complete streets approach. Seattle's guideline for road diets applies to all streets with less than 10,000 trips a day and some with between 10- 25,000 trips. As examples, Seattle has modified Stone Way, Nickerson Street, 125th Street and 75th Street. All four arterials were modified from four lanes to two lanes with a turn lane.

Striping can improve pedestrian safety by enlarging a crosswalk, or making the entire intersection a crosswalk. Raising the crosswalk is another tool. Stop signs can improve mobility and safety better than traffic lights in the right place. Back-in diagonal parking is much safer than head-in parking.

The challenge:

- be creative and innovative
- make safety the number one priority
- emphasize moving people and goods (not vehicles)
- right-size streets to meet today's urban environment

Change suggests the state consider proportionate liability, rather than joint and several liability.

Ms. Reeves briefed the Commission on WSDOT's Safer People and Safer Streets Campaign. The short term strategies include:

- Pursue flexibility within existing programs for roadway reconfiguration
- Expand bicycle & pedestrian data collection
- Adopt Multi-Modal Level of Service (LOS) standards
- Establish teams of bicycle and pedestrian experts in each WSDOT Region
- Conduct a statewide public safety campaign
- Identify & prioritize areas for improvement

WSDOT has established three areas of emphasis:

- Pedestrians and Cyclists are vulnerable road users
 - o Pedestrian and cyclist deaths have been rising since 2009
 - o In 2013 they were 15 percent of all traffic fatalities
 - o When involved in a traffic crash, pedestrians and cyclists are killed 93% of the time
- Urban & Community Centers
 - o More than 70 percent of crashes involving pedestrians or bicyclists occurred in urban areas since 2009
- Speed vs. 'Speeding'
 - o A pedestrian or cyclist hit by a car at 40 mph has an 85 percent chance of being killed

[Safe Street Designs](#)

Action/Follow-up: None at this time.

CHALLENGES FACING SPECIAL NEEDS TRANSPORTATION

Karen Parkhurst, Senior Planner, Thurston Regional Planning Council, briefed the Commission on the challenges facing special needs transportation providers. As a member of the Agency Council on Coordinated Transportation and the Community Transportation Association of the Northwest (CTANW), Ms. Parkhurst spoke about the regulatory challenges special needs providers face. The Utilities and Transportation Commission, WSDOT, Department of Licensing, Medicaid, Federal Transit Administration, FHWA, Veteran's Administration, and Centers for Medicare and Medicaid Services all play a regulatory role. The complex web also raises questions for special needs transportation about liability and responsibility.

Despite numerous attempts to address program and funding barriers, Ms. Parkhurst asserted that we can't afford to be complacent any longer – trends indicate greater demand, fewer transportation resources, and less flexibility for families to assist family members.

One issue CTANW sees is transport of people in a prone position requiring ambulance to provide the trip; it is more expensive and not always necessary. Resolving this challenge could save money for providers and the special needs population. Ms. Parkhurst asked if there is a way to reduce duplication and confusion in laws? Is there a way to better coordinate service, be more efficient and effective?

Commissioner Riveland asked whether there has been an effort to organize around the user, rather than the funding agencies? Ms. Parkhurst acknowledged that the users are part of the solution. There are services available that people don't know about, and old programs that are repurposed as new.

Chairman Haley asked if the presentation is a formal or informal request for the Commission to work on this issue. Ms. Parkhurst responded that it is – both formal and informal. There is interest from CTANW and from legislators in addressing these topics.

Commissioner Riveland asked if the Commission can add value. Commissioner O'Neal added that there have been many studies and are layers of engagement.

Special Needs Transportation

Action/Follow-up: Staff will work with Ms. Parkhurst and return with a proposal.

FREIGHT MOBILITY 2015

Ashley Probart, Executive Director, Freight Mobility Strategic Investment Board (FMSIB), briefed the Commission on FMSIB priorities and projects. FMSIB has \$12M per biennium dedicated to freight and \$2.3 million in highway safety funds. To date, FMSIB has participated in 52 completed projects totaling \$910 million of investment. The FMSIB share was \$176 million.

Recent projects include:

- Yakima grade separations
- improved rail access at the Port of Vancouver
- rail improvements and an industrial park bridge at the Port of Kalama
- South Park Bridge in King County

The Freight Policy Committee made recommendations on all freight modes that were considered and integrated into WTP 2035. A recent freight inventory indicates deficiencies including bottlenecks, poor roadways, safety hazards and other freight performance problems, and who from the public and private sectors should play a role in correcting those deficiencies.

FMSIB worked with MPOs and RTPOs to identify and prioritize an inventory of at-grade rail crossings. So far:

- 121 have been identified
- 37 have estimated project costs at \$1.2 billion (partially funded)
- 84 will need additional review
- Some MPOs/RTPOs still need to do an inventory.

Key findings:

- At-grade rail crossings vary in priority relative to overall transportation priorities
- Few have identified or secured funding
- There are projects and crossings that do not fit criteria, but must be identified. For example:
 - SR 167/SR 509
 - Gray Harbor County: Aberdeen vicinity
 - Canyon Road (Pierce County)
- There is more than one solution:
 - Marysville and Wenatchee examples
- Current MAP-21 federal funding criteria is a limited incentive

Another FMSIB inventory identified first and last mile connectors. Projects were identified and aged by – 1-6 years, 7-12 years, and beyond 12 years. Of 54 projects identified for the first 6 years, 47 have project estimates totaling about \$900 million.

Mr. Probart concluded with some comments and observations:

- Increase freight funding-it has a direct economic benefit
- Address Trucking Congestion Locations
- Refine the existing at-grade crossing inventory and develop a long term, strategic set of investments for at-grade rail crossings, first and last mile connectors
 - Requires multiple stakeholders
 - Include and update 2009 Marine Cargo Forecast
- The Freight Advisory Committee should be on-going, especially with MAP-21 still being developed

The transportation revenue proposals under consideration both increase FMSIB leverage:

- Governor's budget provides \$80 million over 12 years, increasing FMSIB by \$13 million a biennium.
- Senate budget provides \$125 million over 16 years, increasing FMSIB by \$15.6 million a biennium

For the Commission, Mr. Probart recommends a short term strategy of continuing to identify the importance of freight movement in Washington State. In the long term, through the Washington Transportation Plan:

- Program Approach for at-grade crossings
- Need to address chokepoints

[FMSIB 2015 Update](#)

Action/Follow-up: Discuss how to address FMSIB recommendations in WTP implementation.

BUSINESS ROUNDTABLE TRANSPORTATION PROPOSAL

Neil Strege, Vice-President of the Washington Roundtable told the Commission that the Roundtable hired Boston Consulting Group (BCG) to help assess the economic impact of the elements of the road and bridge infrastructure investment packages that had broad legislative support in the 2014 session.

The BCG analysis evaluated the future cost and impact of 6 projects and maintenance and preservation investment across Washington State, contrasted with a "status quo" scenario that holds transportation funding at today's levels.

BCG's Five Drivers of Global Competitiveness:

- Infrastructure
- Human Capital
- Business Environment
- Capital and Innovation
- Global Connectedness

The US is ranked 19th globally in infrastructure. Washington currently trails peer states in road quality and congestion, and maintaining the status quo will lead to further deterioration in the state's roads and higher costs to drivers. Washington's highways are not able to continue supporting our population growth and economy. Fourteen percent of state roads are in poor or very poor condition. This costs \$380/driver per year. Of the state bridge inventory, 26% are obsolete or structurally deficient.

The projects reviewed by BCG are:

- completing the west side of SR 520
- North Spokane Corridor
- I-405 Express Toll Lanes, Bellevue to Renton
- Puget Sound gateway project, completing SR 167 and SR 509
- I-5 JBLM improvements
- I-90 Snoqualmie Pass

The outcome is a quantification of the economic impact to residents, businesses and the state government, not a transportation package. A \$7 billion investment in the six projects studied will deliver \$42 billion in value in direct benefits ... and provide environmental benefits.

Benefits to Residents:

1. Reduced congestion and quality of life improvement from reliable travel times
2. Safer roads that cause less wear and tear on vehicles
3. Near-term construction employment

Benefits to Businesses:

4. Lower costs (supply chain and attrition)
5. Improved productivity (Long term job growth, expansion of port activity, decrease in on-the-job travel time)

Benefits to Government:

6. Greater tax revenue from increased economic activity and project construction
7. Reduction in risks and delayed costs of inaction

This investment also adds over \$2 billion to Washington's state and local taxes over the next 30 years. Increasing maintenance and preservation investment to \$3.4 billion would eliminate poor quality roads, and save \$4.6 billion/year.

Reduced congestion reduces emissions and the proposed projects include funds to protect nearby ecosystems, improving storm water, wildlife and vegetation. Reducing congestion would save almost 2 million gallons of wasted fuel per year.

Commissioner Litt noted that there are other things that need to be considered as we preserve, maintain and improve the transportation system. He cited the town of Wilkeson as an example where economic development drove transportation improvements on a state route.

[WA Roundtable Transportation Investment Initiative Review](#)

Action/Follow-up: None at this time.

AIRPORT INVESTMENT STUDY

Tristan Atkins, Director, Aviation Division, WSDOT and Rob Hodgman, Senior Planner, Aviation Division, WSDOT briefed the Commission on the Airport Investment Study.

Washington has 134 Public Use Airports. Sixty-four airports are eligible for federal funding (NPIAS). These 64 airports will need nearly \$3.6 billion for eligible projects during the next 20 years. The state share is \$240 million, or \$12 million a year. Today, WSDOT has only \$1.4 million for airport grants per year.

The Investment Study identified and analyzed potential implementable solutions to address the airport preservation and improvement needs of the Washington state aviation system.

Funding Solutions could include new funding sources, refinements to current funding programs, and revisions to current funding sources. Non-Funding Solutions may involve aviation system revisions and airport management best practices.

Of 33 potential solutions that were screened and evaluated, the following emerged for further consideration:

1. Public Private Partnerships (P3)
2. Alternative Taxing of Airport Operationally Oriented Uses
3. Alternative Economic Development-Based Consumption Tax

4. Establish a State-Sponsored Revolving Aviation Infrastructure Loan Fund
5. Realignment of Current Transportation Revenue Allocations
6. Reallocate Airport Leasehold Tax to the Aeronautics Account
7. Increase Select Aviation Tax Rates
8. Revise Fuel Excise Tax Exemptions
9. Modify the State Aircraft Excise Tax Program
10. Develop a Best Management Practices Guidebook/Toolkit for State Airports

About \$16.9 million in federal assistance per year is available with additional state match. About \$1.4 million more state revenue would be needed to access this federal money.

Next Steps

- February 2015: Provide initial draft for legislative comments
- April 2015: Analyze legislative input
- May 2015: Project completion and final 'Solutions Handbook' published

[Airport Investment Study Update](#)

Action/Follow-up: None at this time.

IMPACTS OF STUDDED TIRES

Cam Gilmour, Deputy Secretary, WSDOT and Jay Weber, Executive Director, County Road Administration Board, briefed the Commission on the fiscal and safety impacts of studded tires.

Studded tires cause damage and dramatically reduces the lifespan of Portland Cement, which should last close to 30 years. WSDOT estimates damage to state highways at 18-\$27 million per year. About 1 penny of the gas tax per year would cover the rutting.

Not only are studded tires costly, they are dangerous. Studs are most effective on ice at the freezing point (29-32 degrees) but outside of the freezing point the studs are less effective than the alternative of studless tires.

Mr. Weber noted that the estimate of \$18-27 million per year is for the state highway network only and doesn't include county roads or city streets. The costs are exceedingly more expensive than counties can afford to repair damage cause by studded tires and rutting.

Commissioners discussed the idea of opposing the \$5 tire fee for studded tires bill.

[WSDOT Studded Tire Update](#) [Concrete Pavement in WSDOT Transportation Network](#) [Technical Brief](#)

Action/Follow-up: None at this time.

SECRETARY'S REPORT

Cam Gilmour, Deputy Secretary, reported that WSDOT supports the transportation revenue bill although it is very raw at this stage and needs further financial refinements on cash flow, project spending schedule, bonds.

SR 520 TOLL SETTING

Craig Stone, Assistant Secretary, Toll Division, WSDOT and Noah Crocker, Senior Financial Analyst, WSTC, provided an update on SR 520 traffic and average speed performance.

- Fiscal Year 2014 Toll transactions are slightly ahead of forecast
- Gross toll revenues are 0.2% below forecast
- Net toll revenues are 1.8% above forecast

Pledged toll revenue must sufficiently cover:

- Operations & Maintenance (O&M)
- Timely deposit of required amounts into the reserves, including but not limited to debt service, O&M, and R&R reserves
- Minimum debt service coverage covenants
- “Other payments to comply with all financial and other covenants made by the State in this Master Resolution, in any Bond Sale Resolution and in other proceedings related to the issuance of Bonds.”
- Other anticipated funding obligations of the System, giving due regard to the Projected Toll Rate Schedule provided to the Tolling Authority by WSDOT and the State Treasurer pursuant to Section 7.03(b) of this Master Resolution.

The November 2014 Forecast includes key changes in the traffic and **gross toll revenue** potential forecasts:

- Updated assumptions
 - Upward revision to *Good To Go!* share of transactions (maximum rate increase from 86% to 88%)
 - Truck share of transactions reduced (down to 0.7% from 1.1% near term)
 - Incorporated 16 additional construction closure days
 - Updated socio-economic projections have little impact on cross-lake traffic
- Forecasted transactions are slightly lower through FY 2025 and then higher through FY 2056
- Forecasted gross toll revenue potential is 1.2% lower over the forecast horizon

The November 2014 Forecast also includes key changes in the **net toll revenue** projections:

- Revenue Adjustments
 - Upward revision to Pay by Plate share of total *Good To Go!* trips
 - Refinements to the revenue leakage calculations result in higher unpaid toll revenue projections
- O&M and R&R Costs
 - Higher transaction forecast (after FY 2025) increases toll collection costs

- Changes to system-wide toll collection costs and allocation by facility decreases SR 520’s dollar amount
- Addition of I-405 and SR 99 (assumed FY 2018) increases system facility count by 2/3; yet costs increase by less than 2/3 due to economies of scale
 - Additional state general and administrative costs now included in the shared systemwide costs increases SR 520’s dollar amount
 - Facility O&M costs increase with higher energy costs for under-lid lighting
 - Overall R&R cost estimates are slightly lower

The average revenue per transaction has decreased with higher than expected *Good To Go!* use and lower than expected truck use. Over the forecast horizon, the November 2014 forecast for gross toll revenue potential is projected to be 1.2% lower than in October 2013 and 5.6% lower than in September 2011.

Downward revisions to expected operating costs have helped to offset decreases in gross revenue, keeping the net revenue projections close to the initial forecast. Over the forecast horizon, the November 2014 forecast for net toll revenue is projected to be 1.7% lower than in October 2013 and 2.1% lower than in September 2011.

The November 2014 Toll Revenue Forecast Meets Master Resolution Sufficiency Requirements

- The Office of the State Treasurer has reviewed the November 2014 forecasts for traffic, gross toll revenue potential, and net toll revenue
- Financial modeling indicates that forecasted toll revenues are sufficient to meet all obligations, including O&M expenditures, debt service, and contributions to required reserve accounts
- However, there are minimal excess net revenues forecasted prior to FY 2030

[SR 520 Toll Rate Setting](#)

Action/Follow-up: Schedule SR 520 toll setting for action in March 2015.

TACOMA NARROWS BRIDGE TOLL SETTING

Craig Stone, Assistant Secretary, Toll Division, WSDOT and Noah Crocker, Senior Financial Analyst, WSTC, provided a rate setting overview for TNB.

- Debt service payment schedule was set when project was originally financed in 2002
- Payments and toll rates were assumed to increase over time in the 2002 plan
- Repayment for deferred sales taxes to begin in FY 2019 for ten years

The Transportation Commission requires that the Tacoma Narrows Bridge fund balance be kept at a sufficient level to ensure bonds can be paid in the event of unexpected circumstances.

- Bridge insurance covers loss of bridge, business interruption, and acts of terrorism. The policy limit is \$500 million with a deductible for property and terrorism of \$10 million and \$5 million, respectively.
- Fund balance remains in the Tacoma Narrows Bridge account.
- Balance within a given month should not be forecasted to fall below an amount equal to 12.5 percent of annual expenses
 - Monthly balance is averaged over three months retrospectively

- Intended to cover 45 days of interruption of toll collection
- Civil penalty revenues and the cost of adjudication program are excluded from the sufficient balance test

Rate Setting Milestones are determined by traffic and revenue.

- Review of current and historical transaction trends
 - By vehicle class
 - By payment type
 - By time of day
 - Traffic response to past toll increases (elasticity)
- Review of economic projections
 - County-wide household and employment growth
 - Zonal level growth in regional model (April 2014 PSRC land use update)
- Growth rates were applied to FY 2014 actual transactions
 - Baseline forecast assumes no toll increases
 - Adjustments for long-term payment type rates
 - Short term growth rates based on projected household/employment growth. Tacoma area is forecast by PSRC to have job growth over 2.5%.
 - Long term growth rates reduced to 1 percent.

Initial Scenario Results modeled Minimum Toll Increases for Various Traffic Scenarios *FY 2016 and FY 2017*. Chairman Haley asked that an additional scenario look at the required inputs of revenue requirements, sufficient minimum balance, and proposed O & M.

Al Weaver, Chair of the TNB Citizens’ Advisory Committee (CAC), told the Commission that the CAC recommends a 50 cent toll increase for FY 2016 and a second 50 cent increase for FY 2017, with a review in fall 2015 as to whether the suggested 2017 increase should be implemented.

The CAC members appreciate the guidance from the Commission, but were not happy with the time frame for developing its recommendation. Weaver asked that WSDOT and the Commission communicate better on convening and using the CAC. It recommends that future toll-setting begin in November.

None of the CAC members anticipate a decrease in bridge traffic.

Bruce Beckett, CAC member, told the Commission that there is confusion on the CAC about why the SMB is in place and what it means. Beckett recommends that the next toll setting effort begin with a discussion of the purpose of the SMB and its role.

[Tacoma Narrows Bridge Toll Setting](#)

Action/Follow-up: Work with tolling team to assess CAC recommendation and develop TNB toll proposal for March 2015 meeting.

TOLLING FINES UPDATE

Mr. Stone told the Commission that *Good to Go!* accounts generate 84% of billings on SR 520 and 70% of billings on TNB.

On both SR 520 and TNB, 2% of transactions are not paid on time and are sent a Notice of Civil Penalty (NOCP). Between July 1, 2013 and December 31, 2013, most vehicles sent an NOCP have received only 1 NOCP. Of the accounts in arrears, 87% have been sent less than five NOCPs. Only 1.5% of accounts have 40 or more NOCP and one vehicle has been sent 316.

	SR 520 Bridge	Tacoma Narrows Bridge
Number of civil penalty transactions adjudicated	94,493	41,543
Dollar value of civil penalty transactions adjudicated	\$4,331,986	\$1,908,603
Number of civil penalty transactions with civil penalty fees reduced	26,356	12,216
Dollar value of civil penalty fees reduced	\$105,8374	\$490,411

Toll Bill Process/Lean improvements being implemented:

- envelope and toll bill redesign
- returned mail
- online improvements
- improved customer service and early resolution

Toll Bill Process/Lean improvements being evaluated

- payment due dates
- additional customer contact prior to issuing NOCP
- NOCP generation criteria
- write-off threshold
- workshops on adjudication process guidelines
- joint agency Lean project with Department of Licensing to improve customer resolution of unpaid toll bills and vehicle registration holds

People who have had a toll bill problem can pursue relief through the Customer Service Center or through adjudication.

[Toll Fines Update](#)

Action/Follow-up: Continue to monitor NOCP generation and collection.

PUBLIC COMMENT

Paul W. Locke told the Commission that the ferry system must be changed. He said that the Senate took no testimony from the public on its revenue bill.

John Wilson told the Commission that roundabouts seem to be used as a cheaper alternative to traffic signals.

Ann Dasch compared how different towns fund infrastructure:

- one town charged \$1000 per property per year for a bridge
- another town tolled drivers \$5 per round trip

She told the Commission that the costs impact families most in the tolling community.

TRANSPORTATION COMMISSION

ANNE E. HALEY, Chairman

JOE TORTORELLI, Vice-Chairman

ABSENT

RITA BROGAN, Member

DAN O'NEAL, Member

ROY JENNINGS, Member

MARY RIVELAND, Member

JERRY LITT, Member

ATTEST:

REEMA GRIFFITH, Executive Director

DATE OF APPROVAL