

WASHINGTON STATE TRANSPORTATION COMMISSION

Meeting Summary January 17 & 18, 2012

The regular meeting of the Washington State Transportation Commission was called to order at 9:00 a.m., on Tuesday, January 17, 2012, in Room 1D2 of the Transportation Building in Olympia, Washington.

MINUTES APPROVAL/ADOPTION

Commissioner Parker moved approval of the December 13 & 14, 2011 meeting summary. Commissioner Tortorelli seconded the motion and the meeting summary was adopted.

COMMISSION BUSINESS

Due to weather, the Commission revised its Agenda. Following approval of the minutes, the Commissioners engaged in a discussion of toll exemptions. The Chairman reviewed the Urban Partnership Agreement which requires that transit be exempt from early tolling. The TNB Citizen's Advisory Committee, recognizing that any exemptions offered will increase the cost for others, has opposed any exemptions for TNB tolls.

On the other hand, if the Commission has recommended policies to encourage transit, is it inconsistent to charge tolls on transit vehicles? Another point to consider is the slippery slope of exemptions -- if an exemption is granted to transit vehicles, there will be requests for other exemptions or reduced tolls.

The Commissioners discussed changing to electronic meeting materials as opposed to notebooks, using an FTP site. There will be a trial run of this approach at a meeting this spring.

Staff recommended that Market Decisions Corp. (MDC) be selected to do the 2012-13 Ferry Rider Opinion Group (FROG) Survey. Commissioner Cowan noted that he continues to hear complaints about the FROG survey – especially the self-selection bias and the lack of flexibility in the questions.

Commissioner Parker moved that MDC be awarded the contract for up to \$65,000. Commissioner Haley seconded the motion; all approved.

Staff provided a copy of the West Coast Commissions' letter on VMT pricing. Staff also reported on two legislative proposals: one to develop and expand the statewide survey, the other to assess VMT feasibility, including public education and outreach.

Staff briefed the Commission on legislative issues.

Action/Follow-up:

1. Trial run of electronic meeting books.
2. 2012-13 FROG Survey
3. Staff will discuss legislative proposals with Transportation Committee Chairs.

JTC FARE MEDIA STUDY

Kathy Scanlan, Cedar River Group, reported findings on fare media, fare structure and interoperability.

Recommendation 1: WSF & WSTC should continue to modify their fare policies to bring the fare structure into alignment with legislative fare policies and with legislative direction to use adaptive management practices.

Recommendation 2: WSTC's annual market survey should include questions on customer households and the household's likely response to fare changes.

Recommendation 3: In the long-term, the WSF fare collection system should be adapted to the needs of its travel sheds/routes and its customers with consideration of two fare collection systems:

(a) Account-based system

(b) *Good To Go!* as the only Payment method.

Recommendation 4: WSF's vehicle fare structure should be based on a per foot charge. This will require Automatic Vehicle Length Measuring Devices

Recommendation 5: WSF should reinstate discounted joint passes with transit agencies on routes with significant numbers of commuters

Recommendation 6: WSF should streamline Sidney fares by establishing a single Sidney-Anacortes fare with the ability to stop in the San Juan Islands and by eliminating the separate commercial and RV fares.

Recommendation 7: WSF should allow its passenger multi-ride cards, and if operationally feasible its vehicle multi-ride cards, to be purchased and loaded on ORCA cards

Recommendation 8: WSF should implement *Good To Go!* as a form of payment at vehicle tollbooths.

Recommendation 9: WSF should replace *Wave2Go* with an account-based system in the 2018 and beyond time period.

Recommendation 10: WSF should consider *Good To Go!* as the exclusive payment option for fares on the Southworth-Vashon-Fauntleroy route (and possibly for other routes that will not have a full reservation system) in the 2018 and beyond time period.

[Fare Media Draft Final Report](#)

[Fare Media Study Presentation](#)

[Possible 2012 Policy Changes](#)

Action/Follow-up: To be determined after further discussion.

JTC STUDY EVALUATING THE USE OF LIQUEFIED NATURAL GAS IN WASHINGTON STATE FERRIES

Blair Scanlan, Cedar River Group, presented the study evaluating use of Liquefied Natural Gas (LNG), natural gas which is cooled to -259 degrees Fahrenheit and kept at that temperature. There is potential to reduce significant WSF fuel cost and there are environmental benefits. The primary country using LNG to fuel ferries is Norway due to the environmental benefits.

Although the Consultants conclude that LNG investment for new 144-car vessels would be cost-effective, they recommend security and operation planning, along with public outreach, before the Legislature can make an informed decision whether to consider LNG for WSF vessels.

Recommendation 1: Provide funding for security & operation planning and public outreach in the FY2013 Budget.

Recommendation 2: Regarding a New 144-Car Vessel

(a) build as a diesel fueled vessel if the service improvements are more important than the potential fuel savings

(b) If want to consider LNG, await results of security plan and then build in the context of a 6 LNG vessel procurement.

Recommendation 3: Issaquah Class Retrofit. Decide after security planning complete. If elect to proceed recognize need for preservation funding for the Evergreen State. Amount of preservation funding depends on decision on new 144-car vessel.

Recommendation 4: If the legislature funds LNG-fueled vessel design it should require WSF to:

(a) LNG vessels should be designed to a classification society rules

(b) Contract with outside firms with LNG expertise

- WA State firms would likely sub-contract
- WSF should not design LNG vessels in-house

Recommendation 5: If the legislature funds LNG-fueled vessel construction it should consider amending the bid process to require bidders to include a LNG expert.

Recommendation 6: Get major conversion regulatory decision from the Coast Guard before more work done on Issaquah class retrofit.

Recommendation 7: Have the LNG fuel supply contract in place before the shipyard construction contract is let.

Recommendation 8: WSF should maintain classification services for the operation of LNG vessels for at least the first 10 years of operation.

Recommendation 9: The legislature should provide funding for WSF to develop a more refined LNG business case and pre-design report including potential retrofit of Jumbo Mark IIs and update CNG information.

Experience in using LNG and CNG has demonstrated challenges in the storage and refueling of LNG & CNG vessels.

The Commission asked the consultants to identify the savings that would result from switching to a LNG or CNG vessel as there are significant capital costs/investments to make this a viable fuel option.

The consultants affirmed they do not believe there are any savings on retrofitting existing vessels because the expected life of the vessels after improvements are too short and the upfront capital investments required are costly. There is potential savings if there is a new construction of a capital vessel. The payback period must be very long in order to achieve savings from the reduce fuel costs.

The Commission noted that WSF doesn't have any money to buy new vessels or retrofit them. However, America has a wealth of natural gas and will likely become a more prominent fuel source in the future.

[LNG Final Report](#)
[Evaluating the use of Liquefied Natural Gas](#)

Action/Follow-up: None

WASHINGTON STATE FERRIES UPDATE

Ray Deardorf, Planning Director, Ferries Division, WSDOT, and Captain George Capacci briefed the Commission on several WSF topics.

Under 14' Vehicle Fare:

- Has been used by 105,000 vehicles October – December 2011, nearly 5% of non-oversized traffic
- Has generated new “green” striping at toll booths
- The challenge to accurately measure has led to some confrontations with tollbooth staff
- A more structured and consistent way to measure is being developed. Once verified, vehicles will get a “green” sticker in the windshield for quicker ID
- There is potential for wireless “in motion” measurement in the future

Update on the 144 Car Ferry:

WSF expects to receive the first 144-car ferry in February 2014.

The estimated shipyard cost for the first ferry is \$115.3 million; there is a \$21 million (18 percent) contingency reserve. The cost estimate for a second 144-car ferry is \$109 million.

The Commission asked whether it is cost-effective to purchase engines prior to design, given the need for design changes and change orders to accommodate the earlier purchase.

Minor Tariff Alteration:

WSF anticipates implementing a new online reservation system in May 2012 for Pt. Townsend-Coupeville, Anacortes-Sidney, and commercial vehicles in the San Juan Islands. WSF proposes the Commission eliminate the existing fee imposed on commercial vehicles making reservations in the San Juan Islands.

Commissioner O’Neal moved the Commission file the CR-101 and CR-102 to eliminate the fee. The public hearing will be scheduled for April 17 in Mt. Vernon. Commissioner Tortorelli seconded the motion. All voted in support.

[Update on implementation of the New Under 14' Fare Category and Overview of the 144 Car Ferry Construction Program](#)

Action/Follow-Up: Schedule Public Hearing on Tariff Revision.

TOLLING UPDATE

Dave Dye, Chief Operating Officer, WSDOT, reported that traffic volumes on SR 520 from January 3 – January 13 indicates that the expected peaks and valleys remain the same and follow rate changes. Overall, the shift to other facilities is at the margins. WSDOT estimates that I-90 traffic has increased by about 10%.

The Commission had many questions about TNB Debt Service Withholding. Noah Crocker, Senior Financial Analyst, WSTC, will provide a cash flow chart at the February meeting. Mr. Crocker also noted that the initial TNB scenarios may be optimistically estimating traffic volumes.

WSDOT staff also provided an overview of the toll adjudication process.

Commissioners discussed a proposed rate setting schedule for TNB.

Action/Follow-Up: Continue to monitor SR 520 tolling operations. The Commission will continue to work on TNB rate setting and adopt a public meeting schedule.

[Tolling Update](#)

Action/Follow-Up: Continue to monitor SR 520 tolling operations. The Commission will continue to work on TNB rate setting and adopt a public meeting schedule.

WEST COAST ELECTRIC HIGHWAY: UPDATE

Jeff Doyle, Director, Transportation Innovative Partnerships, WSDOT, shared that the purpose of the *West Coast Electric Highway* is to promote commercialization of electric vehicles. Through a federal grant, WSDOT is installing charging stations; the customer pays for the electricity.

The DC charging stations are in commercial areas within one mile of the Interstate; this project extends charging to areas where the EV manufacturers and others aren't locating facilities.

This Public Private Partnership shifts a variety of business risks to the private sector:

- Cost of equipment and services
- Commercial market for charging services
- Property leases
- Cost of utility upgrades and interconnection
- Cost of electricity
- Evolving technologies and standards

[West Coast Electric Highway Partnership Project](#) [West Coast Green Highway](#)

Action/Follow-up: None

COMMUTE TRIP REDUCTION PROGRAM ASSESSMENT REPORT

Brian Lagerberg, Director, Public Transportation Division, WSDOT, shared that Washington is the only state with a CTR program; it was created in 1991 to help improve air quality and reduce congestion. The 2006 CTR Efficiency Act built upon the original employer role and expanded the responsibility to local governments.

In 2011, employers invested \$58 million. State agencies invest about \$1.5 million.

The 2011 CTR Program Evaluation revealed:

- Program is evolving as intended
- Expand CTR investments to support economic corridors
- Work with RTPs to strengthen connection with economic development
- Establish long-term funding stability
- Optimize resources and flexibility to respond to demand, incorporate non-work trips and leverage local investments

There are two ways for local government to impact CTR: parking and recruitment. There is a benefit to cities and counties of avoiding cost of road expansion. Commissioners commented on State of Washington implementation of CTR.

[Cost Performance and Benefits](#)

Action/Follow-Up: None

PUBLIC COMMENT

No Public comment provided.

Wednesday, January 18, 2012 meeting cancelled due to inclement weather

TRANSPORTATION COMMISSION

DICK FORD, Chairman

PHILIP PARKER, Vice-Chairman

TOM COWAN, Member

DAN O'NEAL, Member

JERRY LITT, Member

ANNE HALEY, Member

JOE TORTORELLI, Member

JENNIFER ZIEGLER, Ex-Officio Member
Governor's Office

PAULA HAMMOND, Ex-Officio Member
Secretary of Transportation

ATTEST:

REEMA GRIFFITH, Executive Director

DATE OF APPROVAL