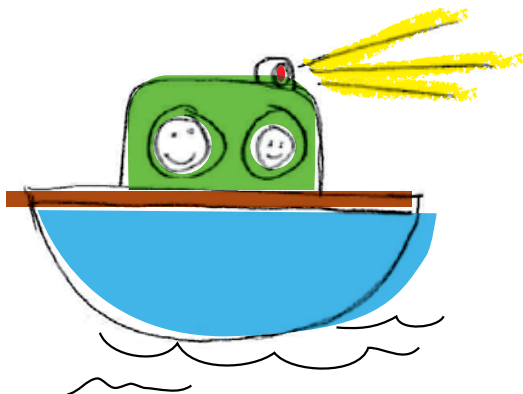
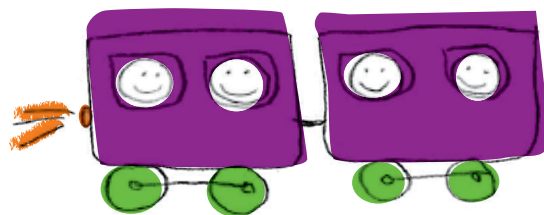
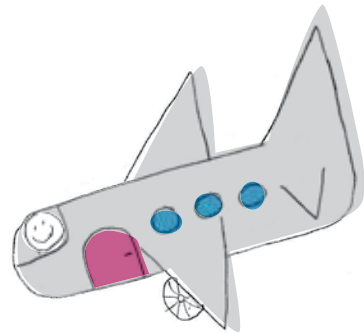


**2010 ANNUAL REPORT**



## Washington State Transportation Commission

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### Vice Chair

Richard Ford

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## *Acknowledgments*

The Commission appreciates the assistance of WSDOT Communications in completing this 2010 Annual Report and the ideas and comments from those who have contributed to it. The principal author is Paul Parker, Senior Policy Analyst with the Transportation Commission. Layout and graphic design is by Jessie Lin, WSDOT.

## *Art and Photo Credits*

Thanks to the Washington State Department of Transportation photo library; City of Hoquiam; Historic Downtown Prosser Association; Berk & Associates; Paul Parker; Cover art by Sophie Parker and Jessie Lin.

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## Message from the Chair

Among numerous specific duties assigned by statute, the Transportation Commission is directed “to provide for public involvement in transportation designed to elicit the public’s views” on the transportation system. In my mind, this is our most important work. And, I think it is no exaggeration to say that public outreach and engagement permeates everything we do.

We believe it is essential that people understand how important a comprehensive and effective transportation system is to our state. It is not widely known that our nation today is investing less than half (corrected for inflation) of what it invested in infrastructure 50 years ago. At the same time, decision makers struggle to identify ways to sustain our transportation system and address growing needs into the future.

The Commission spent most of its time in 2010 talking with people, asking questions, and listening. Over 700 people engaged with us in developing the state’s long range transportation plan—WTP 2030. The plan is the result of extensive collaboration with key entities including WSDOT, counties, cities, transit, ports and freight shippers, environmental groups, the business community, and partner state agencies. Because of its broad-based input, the plan reflects an unprecedented level of statewide agreement, allowing us to identify priorities and recommendations that apply far beyond the state-owned system.

While WTP 2030 looks out 20 years into the future of transportation, the 2010 Annual Report looks back on the last busy year. We heard hundreds of people and businesses express their needs and concerns with proposed toll rates and ferry fares. Thanks in large part to legislative action, the Commission was able to maintain Tacoma Narrows Bridge tolls at 2008 rates. The Commission heard the public concern last summer about inefficiencies in the ferry system and delayed action on ferry rate increases until after it received reports investigating the allegations and learning of changes Washington State Ferries made to improve efficiency and reduce waste.

As the Transportation Commission met around the state at its various local meetings, it also heard about the urgency of job creation and improving the economy, the need for transportation investment to preserve existing infrastructure as well as support safe and healthy communities, and concerns about energy consumption and climate change. Our 2010 Annual Report provides a look at how communities and people in this state are improving transportation or sometimes just making do in a difficult and uncertain time.



# I. Reflections on the Statewide Transportation System



Washington State's transportation system is a complex network of roads, rails, waterways and piers, airstrips and sidewalks—all were built to help people and products move from one place to another. The system also includes buses, trains, trucks, planes, ships and ferries, terminals and ports, and the people who operate those vehicles and facilities. The Transportation Commission takes a systemwide view across modes and jurisdictions statewide.

During 2010, the Transportation Commission heard from hundreds of people across the state about how today's transportation system works for them and what kind of transportation system they will need in the future. As we listened, it became apparent to us that the system's efficient functionality depends not only on steel, concrete, and vehicles, but on the choices people make—how and when they travel, their ability and willingness to pay for faster or easier travel—and the options available to them.

A robust transportation system helps our economy and our communities prosper. The mobility of people and goods is essential to job creation, enhanced competitiveness, and our quality of life—whether it is a software developer getting to work, a farmer hauling wheat from the farm to a grain elevator, or a family visiting Washington on its vacation.

Freight movement in and out of the West Coast ports, across the Canadian and Mexican borders, and within the continental United States, benefits a significant part of the economy of

the West Coast states. Freight also places major demands on our roads, rail system and waterways. Given the global nature of today's world, especially our Washington economy, continuous investment in the transportation system is a critical requirement for retaining and attracting business.

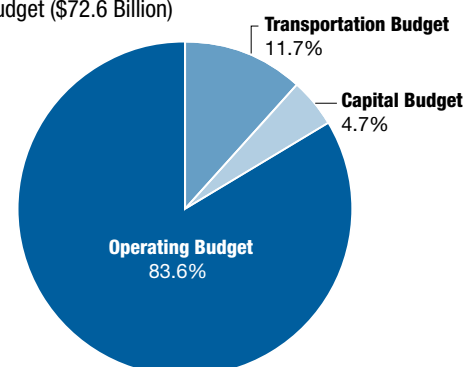
Fortunately, the foundations of our state and local transportation systems are strong in many respects. But without additional investment in the near future, travel will become more difficult as infrastructure deteriorates, congestion increases, and public transportation service is cut. Our state's top priority must be to maintain the capacity of the existing transportation system. Built largely in the 1950s through the 1970s, our streets, roads and highways need ongoing maintenance, upgrades, and replacement to ensure continued safety and improve mobility. Public transportation also must grow to meet increased demand and new roles; we cannot build our way out of congestion.

As funds become available, improvements to the network must connect different transportation modes and transcend jurisdictional boundaries. Future investment must focus on moving people and goods in the most efficient and cost-effective manner, consistent with and supportive of our economic and environmental policies. Balancing the need for investment and job creation with reducing emissions and mitigating transportation-related impacts is necessary to maintaining the quality of life.

Current revenues will not sustain the current transportation system, let alone add to or upgrade it. Because new taxes are controversial and difficult to enact, the state and local governments are becoming increasingly reliant on user fees to help pay for highways, ferries, buses, and trains. Tolling will raise a growing portion of revenue for major transportation projects in the future.

## Transportation Infrastructure is Less Than 12% of the State Budget

2009–11 State Budget (\$72.6 Billion)



While user fees are appropriate in some cases, they are not the best or most efficient way to pay for the transportation system. If the transportation system relies too much on user fees, those parts of the system with high costs and comparatively low use will suffer neglect and disrepair. Also, some localities don't generate much revenue on their own. For example, although Okanogan County is nearly the geographic size of the state of Connecticut, imposition of a \$20 license fee there would generate only about \$850,000 countywide, shared between the cities and the county.

A true statewide transportation system must recognize that collection and distribution of revenue will vary geographically; over time, looking out for everyone's needs is the most efficient and fairest approach. All elements of the transportation system, whether ferries plying the waters of Puget Sound or snow plows clearing drifts in the Palouse, need an adequate, dependable revenue stream. Because we all want a complete system available to us when we need it, we need to be willing to fund the system as a whole.

Finally, the public wants to know that investment in a project or program has value. State and local transportation agencies must continue to develop and implement performance goals and measures, track outcomes and communicate the results to the public.

In 2011, the Commission will meet and learn about local and regional transportation successes and challenges in the following locations:

- Olympia, April 19
- Cheney, June 21
- Clarkston, September 20
- Vancouver, November 15

Specific meeting locations and agendas will be posted on the Commission website.



*Bicyclists leaving the ferry*



*Barge Shipping*



## II. What we have heard

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, and summarize what we learned in our four, day-long meetings around the state.

### Preservation

Preservation is the transportation topic most often raised by transportation planners, civil engineers and public works professionals around the state. Everyone agrees that the most important need today is **keeping the existing transportation system in good operating condition** for the future.



### Safety

Washington has one of the best traffic safety records in the nation. The *Target Zero* Strategic Highway Safety Plan 2010 focuses on behavioral change and sets priorities among strategies to reduce traffic fatalities and serious injuries. The priority areas of focus are impaired driving, run-off-the-road collisions, and speeding.

On the engineering side of safety improvement, over the last eight years, WSDOT has installed **cable median barriers** on 181 miles of highway with 10 additional miles underway. Cable median barriers have:

- reduced fatal injury collisions by 44%
- reduced serious injury collisions by 64%
- reduced cross-median collisions by 65%
- reduced median rollover collisions by 46%

As transportation patterns evolve to include more modes, the Transportation Commission notes that the traffic safety challenge becomes more complicated as cars share the roadway with more bicycles, pedestrians, motorcycles, and transit vehicles.

### Economic Vitality

The Legislature added economic vitality as a sixth transportation policy goal in 2010. Transportation and economic vitality come together in many ways and places. It is a linkage embraced by the state's 75 port districts, our state's reliance on international trade, and our transportation businesses from airplane, boat and truck manufacturing to GPS software design.

Downtown preservation and airports are two examples connecting transportation and the economy that stood out in our travels this year. One unexpected and productive nexus is the **Main Street Program**, a comprehensive partnership focused on bringing back downtowns and jobs. Eleven Washington cities participate fully in Main Street; others including Prosser and Hoquiam, which the Commission visited this year, engage as Main Street affiliates.

There are at least two significant links between transportation and Main Street Communities. First, in about 180 cities across the state (whether a Main Street city or not) the main street also is a State Highway<sup>1</sup>. Second, the community design concepts behind livable and walkable communities also apply to the Main Street program.

#### MAIN STREET CITIES IN WASHINGTON

Bainbridge Island, Chelan, Ellensburg, Kennewick, Mount Vernon, Olympia, Port Angeles, Port Townsend, Puyallup, Walla Walla, Wenatchee

Many **airports**, while significant elements in the economic vitality of communities across the state, face challenges from changing aviation technology, an evolving community, or both. Almost annually, another community in the state faces loss of an airport or airstrip. At small, privately owned airports, the land may become more valuable for other uses. In other cases, development around the airport may limit expansion and threaten continued viability of operations.

<sup>1</sup> About 500 miles of state highway also are city streets.



Omak Municipal Airport

Here is a glimpse into the diverse needs and challenges facing small airports:

- Bowerman Field, operated by the Port of Grays Harbor, is the only jet-capable airport on Washington's Coast. Its 5000 foot runway is old and needs structural improvement. Located next to a National Wildlife Refuge, some pilots will no longer fly into Bowerman due to the danger posed by birds.
- The City of Omak owns an airport with a 4,500 foot runway, a parallel taxiway, a fueling station, and water for fire fighting. To accommodate all current users, the runway needs to be extended to 6,000 feet.

## Mobility

Mobility can mean many different things. To some, it is the ability to get to school or work without fighting congestion. In more remote parts of the state, it may mean the ability to travel on a snow and ice covered road.

From Omak to Hoquiam, Spokane to Olympia, citizens want **more sidewalks**. As increasing numbers of people walk to improve their health and to reduce their impact on the environment, sidewalks are an essential ingredient for pedestrian safety.



A Hoquiam Sidewalk Project

In Hoquiam, a Residential Sidewalk Partnership employs city crews to rebuild a sidewalk if the homeowner pays for the materials. At an average cost of \$500 per property, the city has replaced over a mile of neighborhood sidewalks since 2008 at 1/10 of the usual replacement cost. In Olympia, an additional utility tax approved by voters a few years ago brings new sidewalks each year to residential neighborhoods.

**Signage** also impacts mobility. Increasingly, the Commission hears that better signs are needed to direct people to historic locations, tourist destinations and activities. When visiting Prosser, Mike Hogue, founder of Hogue Cellars, stressed how informational signs can improve wine tourism and make agricultural centers more visible to the traveling public.

## Environmental Quality and Health

Every major car manufacturer will have an electric vehicle (EV) by the end of 2012. With the automotive industry betting big on electric, the timing and strength of market penetration will shape the future of transportation and its impact on the environment. Will the EV be a common everyday car, or will it only see limited in-town use?

The **West Coast Green Highway** is a public-private partnership to build and provide EV charging infrastructure in the I-5 corridor. Its operating premise is that a car costing \$30,000 to \$40,000 needs to be an everyday car, not only a weekday commute car. For planning purposes, the project estimates that an EV will travel 70 miles on a charge.

Slated for completion by the end of 2011, WSDOT and other West Coast Green Highway partners including Nissan, the manufacturer of the Leaf Electric Vehicle, and Puget Sound Energy, are collaborating with Oregon and California to develop a safety net of EV fast-charging stations on the I-5 corridor.



Electric vehicles are here



## Stewardship

Stewardship means improving the quality, effectiveness and efficiency of the transportation system. The Transportation Commission has emphasized the need for partnerships and innovation as a way to stretch limited resources.

The ability to attract multiple funding sources is one way to partner and prioritize transportation projects, a method used by the Southwest Washington RTPO. In that corner of the state, new construction is not as important as **modernizing “what’s been here for a long time.”** Projects are put forward as they meet the funding opportunities.

**State and local partnerships are also critical** to getting major transportation projects off the drawing board and into construction. The need for interagency collaboration is evident in Bellevue where many WSDOT and regional projects are key to Bellevue’s future development. Major projects completed or under construction include:

- NE 6th Street HOV Direct Access Interchange
- NE 10th Street Extension
- I-405 South Widening
- I-405 Northbound braided ramp to SR 520

## Local Meetings and Outreach

The Commission holds four local meetings throughout the state each year—two on the east side of the mountains and two on the west side. In 2010, the Commission visited Prosser, Aberdeen, Omak and Bellevue. Here are ten things we learned at each of these meetings (not listed in any priority order).

### Prosser

1. Prosser adopted a Transportation Benefit District (TBD) in early 2009 and is collecting \$20 per licensed vehicle within the city. The TBD dedicates revenue to roads and sidewalks.
2. Benton County is improving roads to better move products all-year round. Constructing an “all-weather road” in Benton County costs about \$500,000 per mile.
3. Farm-to-market transportation improvements go hand-in-hand with enhancing safety. Benton County’s Roza Safety Study, completed in fall 2009, shows simple safety solutions at low cost (estimated implementation cost of \$7,000) for an agricultural area with the highest fatality rate in the State. Some examples:
  - Oversized stop signs
  - Intersection warning and “Stop Ahead” signs
  - No-pass pavement markings; and
  - Rumble strips

4. With 310 vans, Ben Franklin Transit has the third largest vanpool program in the state.
5. Over 40 percent of Ben Franklin Transit’s bus riders do not own cars.
6. Innovative partnerships between the City of Prosser and the Port of Benton have leveraged small amounts of money into infrastructure such as Vintner’s Village, a tourism development.
7. The wine industry continues to build tourism. When the Walter Clore Wine and Culinary Center opens in 2011, it will attract an estimated 40,000 visitors a year.
8. The Columbia-Snake River inland waterway is a system of locks and a 14’ wide barge channel extending 360 miles from Portland to Lewiston/Clarkston, helping make the Pacific Northwest the 3rd largest grain gateway in the world.
9. The Pacific Northwest Waterways Association, railroads and WSDOT helped farmers and grain shippers prepare for an extended locks closure from December 2010 through March 2011. A \$50 million federal investment is upgrading locks at The Dalles, John Day, and Lower Monumental Dams during the 14-week closure.
10. Between 90–95% of the soft white wheat grown in the Northwest is exported to Japan, the Philippines, South Korea, Yemen and other nations. Grain that doesn’t travel by barge to Portland or Kalama probably moves by train to Seattle. Short line rail removes over 51,000 trucks from Washington roads each year.



## Aberdeen

1. Aberdeen's road budget, which includes seal coats, overlays and patches, shrank from \$375,000 in 2001 to \$75,000 last year. During that time, the public works department laid off 13 people.
2. The Aberdeen Public Works Director estimates that a city of its size should be spending about \$614,000 a year on asphalt preservation. He suggests the state fund an asphalt preservation program and reduce other state grant programs.
3. Hoquiam won an award for "Best Public Works Project" with a sidewalk program that emerged from a community visioning process. The city has installed 3000 linear feet of sidewalks with labor provided by the city and concrete paid for by homeowners.
4. Hoquiam faces the same preservation challenges as Aberdeen: the six-year street plan has a \$6 million price tag—mostly for preservation projects—but only \$50,000 is available. Grant funds often do not match up with the highest local priorities.
5. Puget Sound and Pacific Railroad has 108 miles of track connecting Grays Harbor with the main line railroads. Increased rail use interferes with car traffic in Aberdeen and blocks intersections in Elma.
6. Grays Harbor Transit, with a total budget of about \$7.5 million, operates 7 days a week serving eight fixed routes. As the Commission has heard across the state, when a community loses jobs, transit demand increases and transit revenue drops. GH Transit spent \$1.26 million in reserve funds in 2009 and reduced service hours by 16%.
7. The Quinault Indian Nation is the largest employer in Grays Harbor County. A tribal transit system connects its remote communities with Grays Harbor Transit and Jefferson Transit.

8. Paneltech International, which produces petroleum-free resins and recycled papers, is a clean, green company. This value-added business relies on truck transportation for delivery of raw materials and shipping finished products to its cluster partners.
9. A new \$5 million loop track at the Port of Grays Harbor helped make it the nation's leading soybean meal export facility in 2009. By 2013, the Port expects agricultural exports to triple. The Port also moves 24,000 autos a year overseas.
10. The Westport Marina is the largest fish landing port on West Coast.

## Omak

1. Omak is the regional commercial center for Okanogan County, Ferry County and the Colville Reservation. It relies heavily on state highways: SR 215 serves as the Main Street for Omak, SR 155—the Coulee Corridor Scenic Byway—has its northern terminus in downtown, and the City is the midpoint of the Okanogan Trails Scenic Byway (SR 97).
2. Omak and Okanogan have many of the same needs. Pictures from a century ago would show how the street system developed: paths became roads and old problems linger on today.
3. Pedestrian movement is challenging in Omak and Okanogan, "We designed our cities for vehicles," said Okanogan's Mayor Michael Blake. "There is no safe way for kids to get to athletic fields on their own."
4. Water availability limits regular maintenance of gravel roads.
5. County resources are stretched. The property tax limit imposed by voter initiative has reduced Okanogan County road levy income by \$2 million a year. On top of that, fuel tax revenue is coming in 5–10% below estimates.



6. Maintaining and repairing new construction is a challenge that sometimes requires special tools and equipment. A contractor won't come out to a rural area for one little job.
7. Improving US 2 through Snohomish County is critical to North Central Washington's tourism economy.
8. The Colville Confederated Tribes maintains over 960 miles of road—120 miles are paved. Its roads program is funded mainly through the federal Bureau of Indian Affairs (BIA) Indian Reservation Roads program.
9. Colville Tribes has operated the Inchelium-Gifford Ferry since 1982. It carries up to 25 cars and makes two round trips an hour across Lake Roosevelt. Without the ferry, the drive takes one hour more. A BIA appropriation covers the \$680,000 operations cost.
10. A new Keller Ferry on SR 21 is a joint tribal project with WSDOT. Estimated replacement cost is \$14 million.

#### **Bellevue**

1. Bellevue's seven-year Capital Improvement Plan historically averages around \$300 million. Since the recession began, its transportation revenue has dropped by one-third.
2. Transit mode share in downtown Bellevue is planned to double to 40% by 2020. The transit mix will include light rail connecting Seattle, Bellevue and Redmond; new Bus Rapid Transit service; and increased local bus service.
3. Bellevue plans to transform its Bel-Red Corridor into one of the nation's largest transit-oriented development sites. By 2030, the city expects 10,000 new jobs and almost as many new residents in this neighborhood bridging downtown Bellevue and the Microsoft Campus.
4. Employment in Bellevue exceeds its 123,000 residential population, a trend expected to continue. Downtown housing is growing but primarily attracts empty-nesters and professionals.
5. With current revenue \$1 billion under projections from only a few years ago, Metro Transit has increased fares four times in four years, eliminated 70 positions, changed schedules, reduced service, and deferred improvements promised to voters. Despite these efforts, by 2015 Metro Transit may face a 17% service reduction from 2011.
6. RapidRide is Metro Transit's Bus Rapid Transit brand. RapidRide B Line service, between Bellevue and Redmond, is scheduled to begin in October 2011.
7. Although Sound Transit revenue is down 25 percent (\$3.9 billion) from projections, light rail is fully funded from Downtown Seattle to Northgate. East Link, from Seattle to Redmond's Overlake Transit Center is now in design.
8. King County manages 175 miles of a Regional Trail System spanning 300 miles.
9. One-third of Kirkland's transportation budget is allocated to sidewalks. The Wall Street Journal ranks Kirkland as one of the top 10 walkable suburbs in the nation.
10. Local elected officials support WSDOT development of a high occupancy toll (HOT) lane option for I-405 as a way to improve mobility in a critical corridor for the regional aerospace, high tech and finance sectors.





### III. Overview of 2010 Work and Activities

#### WTP 2030

The Transportation Commission completed over two years of work with adoption of Washington Transportation Plan 2030 (WTP 2030). A comprehensive and balanced statewide transportation policy plan, WTP 2030 reflects the multi-faceted needs of the state's transportation network, tying together state and local transportation needs and systems.

An Advisory Group including business, environmental, county, city, transit and port representatives, along with WSDOT and other state agencies, played a major role in developing the themes, strategies and recommendations in WTP 2030. Extensive public involvement and outreach efforts engaged over 700 people in shaping and commenting on WTP 2030. People commented on today's transportation system and their needs for the future on a WTP Blog, in five Listening Sessions around the state, and in other forums.

To a remarkable degree the Commission found consensus statewide about the Plan's foundational themes and strategies:

- WTP 2030 reflects the **beginning of a new era in transportation**, bringing new challenges and requiring decisive action. Although the foundation of our state and local transportation system is strong in many respects, without additional investment, travel will become more difficult as infrastructure deteriorates, congestion increases, and public transportation service is cut. Accelerating investment and adopting a systemwide view that integrates transportation across modes and jurisdictions, and considers the whole trip from first to last mile, are necessary to meet future demand.
- Our top priority must be to **maintain the capacity of the existing transportation system**. Like anything that was built in the last century, our aging infrastructure needs ongoing maintenance, upgrades, and replacement to ensure continued safety and improve mobility.
- **Mobility of people and goods is critical to our economy**. A reliable and well-functioning transportation system provides a return on investment through job creation, shared prosperity, and enhanced

competitiveness. Given the global nature of today's world, continuous investment in the transportation system is a critical economic development requirement for retaining and attracting companies to locate in Washington.

- Establishing a **stable funding mechanism** is essential to continued mobility and the economic health and quality of life that come from an integrated and connected transportation network. Current revenues will not sustain the current system, let alone add to or upgrade it. Because new taxes are controversial and difficult to enact, the state and local governments are becoming increasingly reliant on user fees to help pay for highways, ferries, buses, and trains. While user fees are appropriate in some cases, they are not the best or most efficient way to pay for the transportation system.
- **Ensuring environmental sustainability** by reducing emissions and mitigating transportation-related impacts is important to maintaining the quality of life in our state. Balancing the need for investment and job creation with environmental protection objectives will continue to be both a challenge and an opportunity for the state.
- **Performance outcome measures** are essential to ensure value for dollars spent. As with any major investment, the public wants to know that a given project achieved the desired outcomes. Performance measures are tools that enable agencies to effectively track and communicate their results.

Given the need for additional revenue to meet Washington's long-term transportation needs, WTP 2030 also proposes revenue solutions. The Commission endorsed state and local funding recommendations made to the Joint Transportation Committee (JTC) and outlined in the report *Implementing Alternative Transportation Funding Methods*. Noting that the JTC Report did not address transit, the Commission recommends additional revenue authority for transit operations and capital.

The Commission advocates funding ferry capital needs with a vehicle excise tax or similar source, set at a rate to eliminate the need for administrative transfers; increasing ferry fares and other operating revenues to close the operating gap; and imposing ferry fuel surcharges when warranted.



## Ferry Customer Survey

The Transportation Commission has ongoing responsibility for data gathering to inform level of service, operations, pricing, planning and investment decisions for Washington State Ferries (WSF). The first ferry customer survey was completed in 2008 and can be found on the Commission's web site.

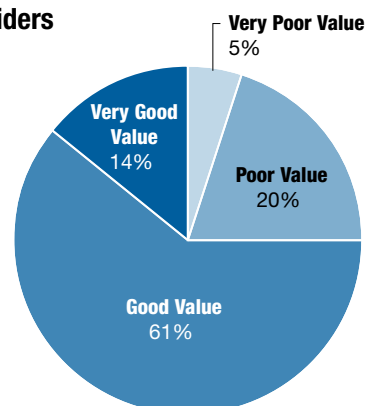
During 2009 and 2010 the Commission conducted the second round of surveying and established the Ferry Riders' Opinion Group (FROG), which is an on-line survey panel that allows ferry users to weigh in on ferry issues through surveys and quick polls via a survey web site. Over 8,000 ferry riders have joined the FROG and have completed several surveys over the last year, including a survey of regular riders in the winter and a summer survey of regular and recreational riders. Both surveys gathered data on general issues related to their use and experience with WSF as well as assessing opinions on a fuel surcharge, a summer surcharge, and WSF operations.

A couple of special studies were also conducted. One was a Market Assessment survey which surveyed the people in the counties surrounding the ferry routes. The purpose of this study was to capture the views and opinions of people who rarely if ever ride the ferries, but live in communities that are impacted by the ferry service. A second special study was the Capital Funding Survey that gathered data on overall awareness of WSF capital funding needs as well as obtaining data on preferences for capital funding options.

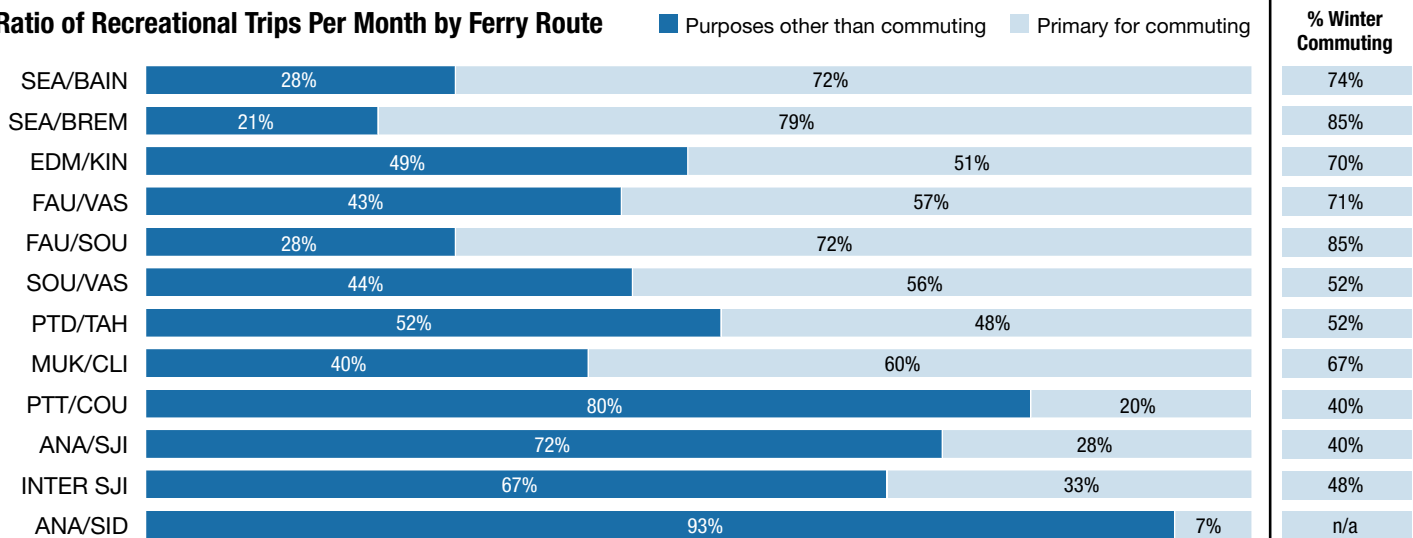
Lastly, a special study focused on freight movers who use the ferry system. The purpose of this study was to learn more about how freight companies use the system, the challenges they face, and their preferences for possible changes in fares or operations, such as offering a fee based reservation system. We display two examples of data from the ferry survey on this page.



**Perceived Value of WSF  
by Summer Riders**



**Ratio of Recreational Trips Per Month by Ferry Route**





## Tolling Policy, Toll Setting and Ferry Fares

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 addresses that requirement and provides a summary of the Commission's activities in setting tolls and fares for state highways and Washington State Ferries.

### Tacoma Narrows Bridge

For the second year in a row, the Transportation Commission kept in place the toll rates set in spring 2008 for the Tacoma Narrows Bridge (TNB). A significant reason the Commission could maintain current rates for two years is due to the Legislature revising how a \$5.2 million loan from the Motor Vehicle Fund will be repaid.



The TNB toll is charged only for eastbound travel. 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.

Based upon guidance from the State Treasurer, the Commission adopted a policy in 2010 to maintain a sufficient minimum balance in the Tacoma Narrows Bridge account, which it set at 12.5% of annual total costs. The Commission monitors TNB revenue on a quarterly basis and will consider future rate adjustments only when there is significant risk that the sufficient minimum balance will fall below the targeted level. Adopting this policy improves rate stability for bridge users and provides assurance to bondholders and taxpayers that the TNB account maintains adequate funds to cover costs.

### Photo Tolling

With tolling planned to begin on the SR 520 floating bridge in Spring 2011, WSDOT will open the first toll facility in our state without toll booths. Photo tolling will allow drivers who do not have an electronic tolling transponder to travel through a tolled facility. Either the toll rate will be automatically deducted from a *Good To Go!* account or a bill will be mailed for the photo toll

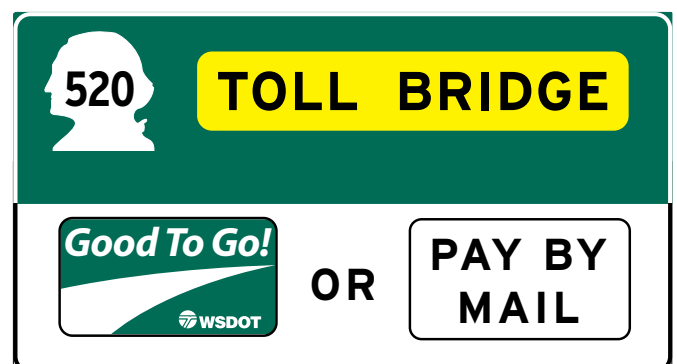
amount and the vehicle owner will have 30 days to pay it<sup>2</sup>. The toll booths on the TNB will remain open; photo tolling will be offered as a TNB payment option when tolling commences on SR 520.

The TNB Citizens Advisory Committee has expressed concerns to the Commission and WSDOT that photo tolling will reduce TNB revenue by providing another option to cash toll payment, and eventually require a greater increase for electronic toll rates. There also is concern that WSDOT has not accurately estimated the administrative expense of photo tolling. Because WSDOT prognostications have proven to be conservative in the past, the commission has accepted its forecasts as the basis for setting the TNB photo toll level at \$5.50. However, the Transportation Commission will evaluate actual photo tolling costs and use to ensure that photo toll rates adequately cover costs.

### SR 520

Tolling is required to generate \$1 billion in revenue to help fund the new SR 520 floating bridge. By tolling the existing bridge while work begins to build the pontoons on which the roadway will rest, the overall project cost will be lower.

The Transportation Commission worked with WSDOT Tolling staff throughout 2010, examining all things related to tolling including variable pricing options, toll exemptions, and financing policies impacting rates. The Commission set 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 maintaining a free flow of traffic on the bridge at 45 mph or higher during 90% of peak travel hours.



<sup>2</sup> Another option allows payment at a lower photo toll rate prior to receiving a bill.

After proposing variable toll rates and toll exemptions in November 2010, the Commission held public input hearings in Bellevue and Seattle during December. The Commission adopted the following toll rates on January 5, 2010, subject to legislative action (please visit the Commission's web site to see the detailed toll rate schedule):

- 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.

Vehicles exempt from tolls include the following:

- Public and private transit buses
- Registered ride sharing vans
- Emergency response vehicles that are responding to bona-fide emergencies
- Washington State Department of Transportation maintenance vehicles directly involved with SR 520 bridge maintenance
- Washington State Patrol vehicles providing enforcement services on the SR 520 corridor
- Vehicles owned by foreign governments and international organizations (as required by federal law)
- Tow trucks responding to a request to remove a blocking vehicle from the bridge.

#### **SR 167**

A four-year pilot project allows drivers of single-occupant vehicles 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 in the HOV Lanes. During 2010, the Commission did not alter the toll rate which is currently set at a minimum of 50 cents to a maximum of \$9.00.

#### **Ferry Fares**

The Commission began its review of ferry tariffs in Spring 2010. In July, it deferred action on a fare increase requested by WSF to allow for Governor directed reviews and investigations to be conducted and the results reported to the Commission.

After the Commission resumed its review of WSF revenue and needs in September and in November, 2010, the Commission adopted the following fare adjustments:

- A 2.5% general fare increase effective January 1, 2011;
- Increase San Juan interisland fares an additional 2%, completing implementation of Tariff Route Equity; and
- Eliminate San Juan Islands day-of-week pricing and the passenger peak season surcharge.



## **Commission Studies**

### **Public-Private Partnerships**

The Commission worked with WSDOT to complete a best practices review of non-toll road Public-Private Partnerships (PPP program). The purpose of the study was to review ways in which non-toll related PPPs are carried out by local jurisdictions in Washington State and apply what we learn to creating a streamlined, more efficient PPP process for projects that do not involve toll roads. Through the best practices review, successful approaches that emerged from interviews with five public agencies included:

- Be clear about project goals before you start
- Actively involve other public agencies
- Organizational responsibility tends to fall to Economic Development officials
- All organizations utilize outside experts much more than WSDOT
- Approval authorities were kept abreast but not deeply involved in project development and negotiations

For more information on this study, please review the final report and recommendations.

### **Regional Priority Projects**

Based upon a budget directive, the Commission requested that each of the Metropolitan Planning Organizations (MPOs) and Regional Transportation Planning Organizations (RTPOs) submit a list of priority transportation projects for its region, along with an estimate of the 10-year road and bridge preservation need.

The responses demonstrate the variety of transportation needs across the state and leave no question that the statewide need is well beyond available revenues, even perhaps in excess of what can realistically be accomplished in a single, future revenue package. The total estimated statewide transportation project

need<sup>3</sup> as reported in the regional project lists totals \$22.6 billion over several biennia. The estimated statewide preservation need for roads and bridges over the next 10 years totals \$6.6 billion. For more details on this, please refer to the Commission final report and recommendations.

## Facility Naming

The Commission named several state transportation facilities during 2010. In response to legislation, in May 2010, the Commission named SR 110 on the Olympic Peninsula, the “Operations Desert Shield and Desert Storm Memorial Highway.”

In July 2010, at the request of the town of Coupeville, local businesses, and state legislators from the area, the Commission renamed the WSF Keystone Terminal the Coupeville Terminal.

The Commission also named the second and third WSF vessels in the 64-car Kwa-di Tabil class. After receiving many suggestions, the top five names that met the ferry naming criteria previously set forth by the Commission were Salish, Salish Sea, Cowlitz, Kennewick, Tokitae and Samish. The Commission named the second new vessel “Salish,” and the third new vessel “Kennewick.”

## Ferry Naming Policy

In addition to naming state transportation facilities, in Spring 2010, the Commission adopted a process and policy for naming WSF vessels. At a minimum, the Commission will assess proposed ferry names using the following guidelines:

- Names for ferries should carry statewide significance and represent our state’s image and culture.
- Specifically, names should represent such things as state adopted symbols, tribal names, names of bodies of water, geographic locations, cities, counties, or relate to nautical heritage, etc.
- Consideration will be given to the consistency with existing WSF fleet names. (All but two current vessels—the Rhododendron and the Evergreen State—have tribal names.)
- Names should have broad familiarity, be easy to pronounce, are non-offensive and meet ethical standards.

- Names with commercial overtones or names honoring or commemorating individuals should be avoided, but will be considered upon very careful review. In these cases, the following guidelines will apply:
  - The individual must be deceased for at least 20 years.
  - They must have enduring fame and have played a significant historical role in the region and/or state.

## Road Jurisdiction Transfer

In February 2010, the Commission streamlined the Route Jurisdiction Transfer process, replacing 15 sections of the Washington Administrative Code with only eight in the new rule. The City of Bothell made the only Route Jurisdiction Transfer request in 2010. It seeks to transfer 2.5 miles of SR 527, which carries 40,000 average daily trips, from the state system to the City of Bothell. The Commission supports the request and has submitted legislation to codify the change.

## Joint Work with the California and Oregon Transportation Commissions

During 2010, the Commission continued to confer with the Oregon Transportation Commission and the California Transportation Commission on subjects of mutual regional interest. The three west coast Commissions have sent four letters to date to their collective Congressional delegations. The topics of each letter are:

- Implementing a Vehicle Miles Travel (VMT) based funding system to replace the gas tax.
- Federal reauthorization priorities.
- Freight movement challenges—policy and funding recommendations.
- Long-term funding recommendations



Multi-modal shipping at the Port of Seattle

<sup>3</sup> The need estimates from the regional project lists are substantially lower than the estimated statewide need of \$175 to \$200 billion over the 2011–2030 time span covered by the Washington Transportation Plan. For the Regional Priority Report, the Commission requested that each region provide only 20 prioritized projects, rather than a complete list of needs.



## IV. A Look to the Future

The future of transportation in our state is uncertain. As this Annual Report and Washington Transportation Plan 2030 reveal, various factors have created an immediate need for additional revenue for state, county and city transportation systems, including transit capital and operations. Without adequate funding, we cannot maintain the transportation system we have today and improvements will not be possible.

Funding for streets, roads, highways and ferries depends largely on gas tax revenue, which is declining due to improved fuel efficiency and less travel. The federal gas tax, which has not been increased since 1994, no longer generates enough revenue to pay for federally authorized projects. In addition, all of the revenue generated from the 2003 and 2005 state gas tax increases has been bonded against and dedicated to specific projects. Transit operations in Washington State are mostly funded through sales tax revenue, which also has dropped significantly during this recession.

The difficulty of enacting gas tax increases, along with a public preference for user fees, has led to a new reliance on tolling for transportation funding, in Washington and in other states. In the SR 16 Corridor between I-5 and Gig Harbor, the new Tacoma Narrows Bridge is being paid for through tolls. Tolling on the SR 520 floating bridge is ready to begin in Spring 2010 to generate \$1 billion for its replacement.

The State's ability to explicitly pledge tolls is critical to financing the existing toll bridges and several future mega projects that will require tolls as part of their financing. Passage of Initiative 1053 last fall brings uncertainty to future toll-setting. At this writing it is unclear whether the toll-setting authority previously delegated to the Transportation Commission will continue in



*I-5 Columbia River Bridges*

place. Setting toll rates must be a nimble, responsive, timely and predictable process. Without an independent toll-setting authority, the state will not be able to access capital markets for toll-backed debt.

Initiative 1053 also adds more uncertainty to the ferry system. Ferry fares, which currently fund 65% of WSF operating costs, by statute, must be set by September 1 of each year. This requirement is not in synch with the timing of the Legislative session. To delay fare setting until January or later seriously conflicts with the seasonal ferry schedule and will directly impact the amount of revenue ferry fares can generate.

This is a critical time for transportation funding, job creation and productivity. In the coming year, the Commission will continue to meet with the public and transportation providers, asking questions and listening to how we can better work together to preserve and improve the transportation system. We offer our assistance to the Governor and Legislature as they consider how to respond to Initiative 1053, to ferry funding shortfalls, and the other challenges confronting the state in this most difficult time.



*Containers heading eastbound*



*Sounder now makes nine round trips a day between Seattle and Tacoma*

# V. Washington State Transportation Commission 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 entire transportation system works across the state and issues the state's 20-year Transportation Plan. As the State Tolling Authority, the Commission adopts tolls for state highways and bridges and fares for Washington State Ferries.

## Current Responsibilities

### 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. The plan is required to reflect the priorities of government and address local, regional and statewide needs, including multimodal transportation planning. The next updated 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 reviews the long-range ferry system 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 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 both Olympia and localities throughout the state each year. Meetings held outside of Olympia focus on local and regional transportation issues and challenges, receiving 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 (TIP) 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 the 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 in the 2009–11 Biennium

- Updated the Washington Transportation Plan—a 20-year vision for statewide transportation.
- Conducted a comprehensive system-wide ferry customer survey.
- Completed a report on non-toll public-private partnerships which includes recommendations on streamlining PPP laws for the purpose of non-toll projects.
- Completed a report assessing the feasibility of selling the naming rights to Washington State Ferries.
- Completed a report on regional priority transportation projects.
- Completed an analysis and business plan for implementing a ferry fuel surcharge.



# Washington State Transportation Commissioners



## **Philip Parker, Chair, 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.



## **Richard Ford, Vice Chair, 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 reappointed 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.

## **Eastside Seat Vacant**



## **Latisha Hill, Spokane County**

Latisha is employed by Avista Utilities and brings to the Commission experience in public affairs, economic development, planning, and community development. She has been involved in several community projects including, the City of Spokane Mayor's Sustainability Initiative

as the Transportation and Mobility Co-Chair, development of the Spokane University District Master Plan, and an assortment of efforts related to public outreach and small business development. Latisha has served as an officer of the Inland Empire Chapter of the American Planning Association and currently serves on the Spokane Regional Transportation Council and various business and community boards. Latisha is actively involved in transportation and economic development efforts in Eastern Washington. Latisha holds a Masters degree in Urban & Regional Planning and a B.A. in Communications. Latisha was appointed to the Commission by Governor Gregoire in 2008. Term expires June 30, 2014.



## **Carol Moser, Benton County**

Carol's background as a City Councilwoman brings a local government perspective to the Commission. In addition to serving ten years on the Richland City Council, Carol served on the Association of Washington Cities Board of Directors, was a Board Member for the

Municipal Research Services Center, chaired the RTPO for the Benton-Franklin-Walla Walla Policy Advisory Committee, and was vice-chair of the Benton-Franklin Transit Board of Directors. She has also served on two state commissions, Chairing the Aviation Planning Council in 2008–09, and a member of the Freight Mobility Strategic Investment Board from 2001–04. Carol was appointed by Governor Gregoire in 2006. Term expires June 30, 2011.



## **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.

# back to the basics



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