

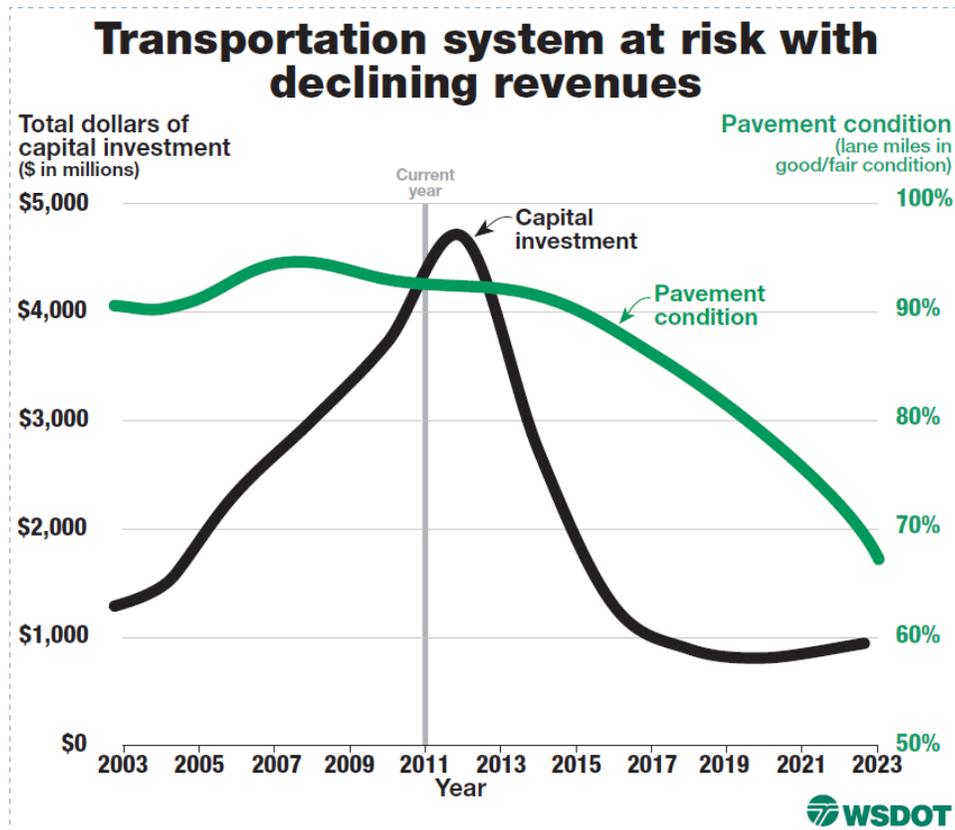


PROPOSED NEXT STEPS FOR IDENTIFYING TRANSPORTATION REVENUE

Washington's transportation system is not viable over the long term. To survive, the system requires a 10-year investment strategy based on new revenue. This need was made explicit through Governor Gregoire's proposed budget and ferries district legislation, as well as the Legislature's interim revenue proposals. While of critical importance, this year's transportation fee bill is a down payment to fix a fiscal crisis that needs a long-term solution.

RISK OF DETERIORATION

After the 2013–15 biennium, more than 90 percent of the proceeds from the last two revenue packages will cover just debt service on the 421 projects funded. Because no maintenance or preservation funds were provided for new lane miles created through these projects, deterioration will set in. Also with declining transportation revenues at the state and federal level, pavement conditions in our state will dramatically decline in the next 10 years, as displayed below:



RISK OF UNFINISHED PROJECTS AND UNMET NEEDS

Without new revenue, mega projects will remain unfinished and priority projects will not be launched. Less revenue also puts support for special-needs transportation, transit grants and operations for intercity passenger rail at risk.

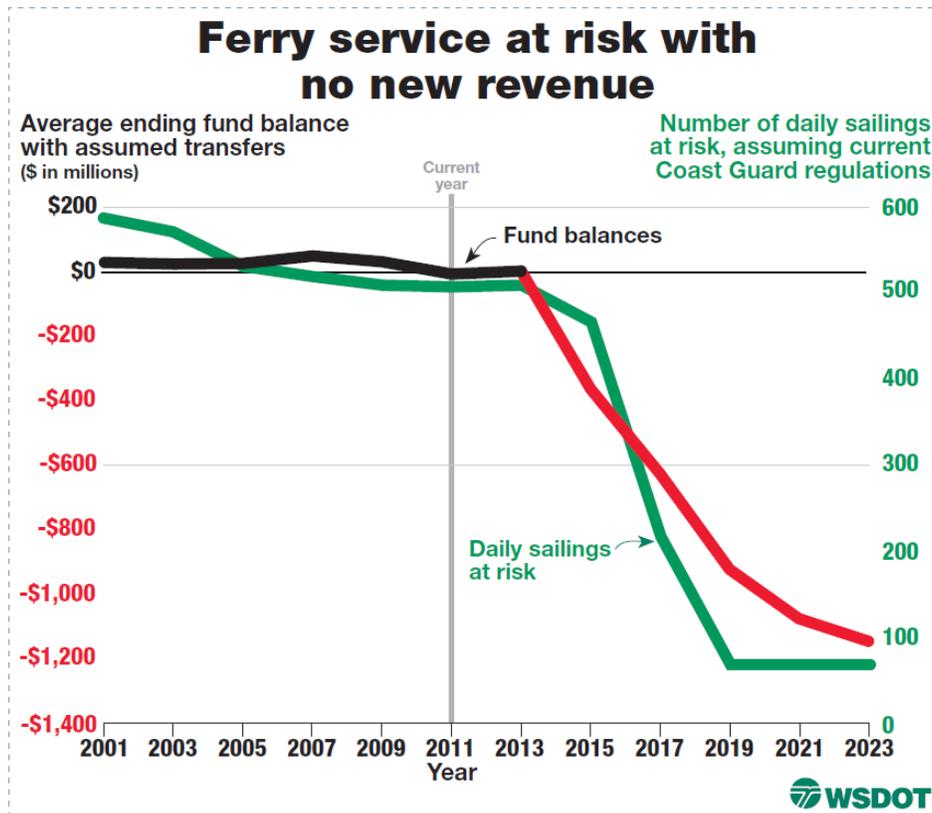
Construction won't begin on priority projects:

- » I-5 Columbia River crossing
- » SR 509 freight/congestion relief
- » SR 167 corridor extension
- » I-5 through Joint Base Lewis-McChord
- » Ferry vessel replacement/terminal preservation
- » SR 522/US 2 corridor safety improvements
- » US 12 safety/improved mobility near Walla Walla
- » I-82 economic development improvements near Yakima/Union Gap
- » I-5 interchange safety improvements in Bellingham
- » SR 28 improvements in East Wenatchee

Unfinished mega projects:

- » SR 520 bridge replacement
- » I-90 Snoqualmie Pass
- » US 395 North Spokane corridor
- » I-405 corridor

Funds transferred to the ferry system in recent years to cover capital shortfalls will no longer be available. Without money to preserve vessels and terminals, our ability to continue ferry service will be at risk, as shown below.



NEXT STEPS

The Governor will form a Transportation Advisory Group tasked with developing a 10-year investment and funding strategy for the state's transportation system. The Transportation Advisory Group will review statewide transportation program needs and recommend the most promising investment options and revenue sources to address top priorities. The group's recommendations will be ready for presentation to the Legislature and public in 2012.

The Transportation Advisory Group will comprise the chairs and ranking minority members of the House and Senate Transportation committees; the chair of the State Transportation Commission; local officials; the Secretary of Transportation; a representative from the Governor's Office; and transportation stakeholders, including representatives from labor, business and environmental groups.

