

2013-15 Proposed Senate Transportation Committee Budget

Overview:

Current transportation expenditure estimates indicate the peak of the combined 2003 Nickel and 2005 Transportation Partnership Act construction programs will be cleared sometime during the 2013-15 biennium. With the winding down of the combined construction programs over the next four to six years, much of the risk and uncertainty associated with the transportation improvement program will also be retired. The closing out of this now decade-long, historic level of commitment to investments in the state highway system also continues to benefit, in aggregate, from project savings through favorable bids. In tandem with a still favorable interest rate environment, this favorable bid environment also allows for a reduction in the planned issuance of transportation debt and attendant debt service payments.

This confluence of events has had the effect of better aligning the revenue capacity of the two construction program accounts with their declining fuel tax-backed revenue streams which in-turn allows for more overall pay-as-you-go funding and a reduced exposure of the state's underlying 23 cent fuel tax stream.

Revenue:

The March 2013 forecast estimates an overall increase of \$393.4 million (1.7%) in state transportation funds over the 10-year forecast period when compared to 2012. Most of the increase is attributable to fee revenue increases in 2012 that represent a continuation of established legislative transportation policy as enacted under RCW 46.01.360 in 2002. This statute directs the Department of Licensing (DOL) to regularly submit collection and administration cost recovery fee studies to the Legislature. Using this fee study data, various driver and vehicle related fees were increased 2012. It is important to note that this additional fee-based revenue is somewhat offset by a continued decline in fuel consumption and therefore fuel tax revenues.

Under the new federal funding authorization, Moving Ahead for Progress in the 21st Century (MAP-21) federal apportionments have remained flat at \$653 million in FFY 13 and \$660.7 million in FFY 14. The state's allocation of federal funds is primarily used to fund preservation of the existing state highway network.

Expenditures:

In closing out the 2011-13 biennium, re-appropriations and adjustments to cost estimates have reduced overall spending in the budget period from 2012's projected \$9.8 billion to \$8.3 billion in the 2013 supplemental.

With the capital program re-appropriations from the 2011-13 timeframe brought forward to the new budget period, total appropriations in the proposed 2013-15 Senate budget total \$8.7

billion. This level of spending includes \$5.3 billion in proposed capital construction spending and \$3.4 billion in operating expenditures (including \$1.2 billion in debt service on existing and planned bond debt).

2013-15 spending levels also include appropriation of last year's promised additive spending supported by 2012's additive fee revenue in an effort to catch-up on certain core spending priorities and shortfalls. This item funds the following agencies and programs at the following levels:

Uses of Funds	2013-15 Biennium (\$ millions)
Washington State Patrol	28.0
Highway Maintenance	10.0
Highway Preservation	10.0
Transit Operation Grants	26.0
Ferry Operations (includes re-appropriation from 2011-13)	42.0
Transportation Improvement Board	10.0
County Road Administration Board	10.0
2nd 144 Car Ferry (debt service)	20.5
Safe Routes to Schools	6.8
Freight Mobility State Investment Board	2.3
WSDOT Preliminary Design/Rights-of-Way	25.0
Total	190.5

Given the backdrop of a still uncertain economic recovery, few new items are funded in the proposed Senate Transportation Committee budget. Instead, priority is assigned to keeping the promises of the 2003 and 2005 construction programs and a commitment to fix and maintain the existing state transportation network.

Looking ahead the Senate will continue to work with the House and the Executive on future priorities, especially as those priorities relate to the state's reliance on a world-class transportation network that can ensure Washington State's continued economic vitality.

Select Budget Highlights:

Washington State Department of Transportation (WSDOT) Operating Programs:

Aviation Program:

- Increase airport aid grants by \$1.5 million, for a total of \$3.5 million per biennium.

Ferries Operating Program:

- Restore and maintain current ferry service levels through the continued transfer of funds from other transportation accounts.

- Fund additional coast guard crewing requirements and labor costs.
- Study the integration of ferry fare payment systems and customer service into the state's existing 'Good to Go' tolling contract.

Highway Maintenance Program:

- Fund critical equipment investments required in the maintenance and traffic operations programs including \$6 million for snow and ice removal, roadway maintenance, and field engineering equipment.

Office of Women and Minority Business Enterprises (OWMBE):

- Provide additional resources to clear out the backlog of OWMBE certifications.

Public Transportation Grant Program:

- Continue to fully fund the 2003 and 2005 commitments to Special Needs Transportation (\$25 million), Rural Mobility (\$17 million), and Regional Mobility (\$40 million) grant programs.
- Maintain the 2012 commitment to provide \$26 million in transit operating grants in the 2013-15 biennium.

Rail Operating Program:

- Maintain current Amtrak contract funding levels while the rail division reviews cost cutting options for any new contract.
- Increase funding for freight rail grant programs by \$1.25 million, for a total of \$4 million per biennium.

Stormwater Compliance:

- Fully fund on-going compliance with the National Pollution Discharge Elimination System Permit (NPDES) municipal permit issued by the Washington State Department of Ecology.

Tolling Program:

- Reduce administrative costs by \$2.9 million within the tolling division based on a careful review of administration and overhead. On-going savings to the impacted tolling accounts result from FTE reductions, reduced reliance on consultants, and leveraging existing administrative resources already funded elsewhere in the agency.

Washington State Department of Transportation (WSDOT) Capital Construction Programs:

Bicycle, Pedestrian, Safe Routes to Schools Construction Programs:

- Continue to fully fund the 2003, 2005, and 2012 commitments to these construction programs (see project list included at the end of this section).

Ferry Improvement and Preservation Construction Programs:

- Continue full funding and construction of the second 144-car Olympic Class vessel supported by 2012 fee revenues.
- Fund the \$22 million conversion of the Hyak to include installation of a power management system and more efficient engines, with an expected fuel consumption savings of up to 20 percent.
- Begin design on a \$210 million dollar terminal replacement project with a like-type terminal in Seattle.
- Federal approval is expected this year on the design of a new terminal at Mukilteo, allowing for the initiation of construction of this estimated \$160 million preferred alternative. WSDOT is also directed to seek additional federal funds to complete the project.

Highway Improvement and Preservation Construction Programs:

- A combined \$4.1 billion is provided during the 2013-15 biennium for planned highway improvement and preservation construction projects of which \$1.8 billion is allocated to maintaining the commitments of the 2003 and 2005 construction programs.
- Additional federal funds gained through project savings and/or redistributed funds is prioritized for allocation to past-due replacement of pavement on interstate highways, including \$60.5 million for concrete preservation on I-5 in King County.
- Relies on \$200 million in toll revenues to complete construction of the \$3.1 billion deep bore tunnel to replace the Alaskan Way Viaduct on SR 99.
- \$81.8 million is provided for the Columbia River Crossing (CRC) based on current law revenues and project scope.

Rail Construction Program:

- Over \$300 million in Higher Speed Rail (HSR) funds are anticipated to be expended in the 2013-15 biennium throughout the Cascades corridor in Washington state. Reliability projects, that will address issues such as frequent slide areas, will be completed in the northern and southern parts of the corridor, in addition to track upgrades in the areas of Vancouver, Tacoma, Blaine, Tukwila, and Seattle.

Washington State Patrol (WSP):

- Funding of \$5.3 million is provided for the on-going costs of 21 new troopers funded in 2012.
- \$16.4 million is provided for on-going debt service payments and the non-financeable elements associated with deployment of the Mobile Office Platform and Narrow Band communication upgrade commitments made in the 2011-13 biennium.
- \$5.767 million is provided for labor awards in the 2013-15 biennium.

Department of Licensing (DOL):

- \$1.2 million in new funding is provided to conform the commercial driver's license program with federal law (SHB 1752).

Freight Mobility Strategic Investment Board (FMSIB):

- Project selection authority and responsibility is provided to FMSIB to allow projects that meet the board's criteria to more quickly advance to the construction phase.

Joint Legislative Audit and Review Committee (JLARC):

- \$243 thousand is provided to review the methods and systems used by WSDOT to develop asset conditions and service levels for estimating maintenance and preservation needs and costs.

Joint Transportation Committee (JTC):

- \$150 thousand is provided to study the costs and benefits of outsourcing audit functions to provide independent oversight of the WSDOT tolling division.
- The JTC is directed to continue its oversight role of the CRC project using existing resources.

2013-15 Pedestrian and Bicycle Safety Safe Routes to Schools Program Projects

Project Priority	Project Title	Agency	Leg District	Total Project Cost	Grant Funding
Safe Routes to Schools Program					
1	Thorndyke Elementary Safe Routes to School Application	Tukwila	11	\$1,082,000	\$457,000
2	Greenwood Neighborhood Greenways Go to School	Seattle	11 & 36	\$173,000	\$153,000
3	Bike Walk Mount Vernon 2013	Mount Vernon	40	\$419,500	\$389,500
4	State Student Travel Survey	DOH	N/A	\$223,052	\$173,052
5	South Woodland Safe Walking Route	Woodland	18	\$340,525	\$306,473
6	Carl Cozier Safe Routes to School Program	Bellingham	40	\$263,700	\$237,300
7	School Zone Safety Improvements, City Wide Battle Ground	Battle Ground	18	\$70,706	\$66,206
8	Hawthorne Elementary Safe Routes to School	Everett	38	\$256,000	\$256,000
9	Meeker Elementary, Aylene Junior High and Stewart Elementary School Crosswalk Improvements	Puyallup	25	\$210,000	\$210,000
10	Sacajawea Elementary Pedestrian Safety	Clark County	49	\$302,000	\$302,000
11	Safe Routes to School Bicycle and Pedestrian Safety Education Program	OSPI	N/A	\$500,000	\$500,000
12	Swinomish to La Conner Safe Routes Project	Swinomish Indian Tribal Community	10	\$779,610	\$744,610
13	22nd Avenue Sidewalk Project	Olympia	22	\$1,899,300	\$1,076,000
14	44th Street Safe Routes to Schools Project	University Place	28	\$910,000	\$820,000
15	Federal Way Pedestrian Connection	Federal Way	30	\$775,000	\$775,000
16	West Lake Sammamish Parkway Sidewalk Connection	Bellevue	48	\$347,375	\$260,000
17	Quincy Valley K-7 Pathway	Quincy	12, 13	\$342,000	\$292,000
18	Beach Square Safe Routes to School	Seattle	37	\$258,000	\$248,000
19	Cirque Drive Safe Routes to Schools Project	University Place	28	\$1,325,000	\$1,040,000
20	SR9 Pedestrian/Bicycle Safety Improvements	Sedro Woolley	39	\$351,000	\$300,000
21	Sheridan Street Sidewalk and Crossing Improvements	Port Townsend	24	\$561,681	\$497,913
22	Endeavour Elementary Pathway and Safety Improvement Program	Vancouver	49	\$227,654	\$209,654
23	NE 178th Street Sidewalk Improvements	Lake Forest Park	32	\$1,018,000	\$569,000
24	56th Street Safe Routes to Schools Project	University Place	28	\$540,000	\$464,000

2013-15 Pedestrian and Bicycle Safety Safe Routes to Schools Program Projects

Project Priority	Project Title	Agency	Leg District	Total Project Cost	Grant Funding
25	Wedgwood Elementary Children and Neighbors	Seattle	46	\$454,000	\$439,000
26	Evergreen Elementary Safe Routes to School Program	Shelton	35	\$509,596	\$497,700
27	Anacortes Safe Routes to Schools - Covered Bike Parking and Mid-Block Crossing	Anacortes	40	\$221,000	\$221,000
28	Einstein Safe Routes	Shoreline	32	\$435,000	\$435,000
29	15th St. SW from Edmonds Way (SR-104) to 8th Ave. S	Edmonds	21	\$374,000	\$374,000
30	Westview Elementary School	Spokane	6	\$610,435	\$555,935
31	Hamblen Elementary School	Spokane	6	\$646,732	\$592,232
32	238th St. SW from 100th Ave. W to 104th Ave. W	Edmonds	21	\$591,000	\$591,000

Pedestrian and Bicycle Safety Program

1	Main Street/SR 215 & SR 155 Complete Street Project	Omak	7	\$3,770,425	\$340,425
2	Redmond Central Connector Phase 2	Redmond	48	\$1,500,000	\$500,000
3	Washington Avenue/11th Street Sidewalk Connector	Bremerton	26	\$4,450,000	\$1,700,000
4	King County Bike Share Program Launch University District (Target Area B)	King County Metro Transit	7	\$1,106,000	\$750,000
5	5th Ave Sidewalk	Ellensburg	13	\$115,000	\$92,000
6	Delridge Multimodal Path	Seattle	11	\$397,000	\$337,000
7	SR 104/Edmonds - Mid Block Pedestrian Crossing	WSDOT NW Region	21	\$465,000	\$465,000
8	Foothills Trail Extension	Wilkeson	31	\$475,000	\$475,000
9	Pacific Highway E (SR 99) Pedestrian and Bicycle Safety Improvements	Fife	25	\$2,372,800	\$1,660,800
10	Town Center Phase II: Pedestrian and Bicycle Improvements	Snoqualmie	5	\$2,635,000	\$1,885,000
11	Everett Downtown Streetscape Improvements - Phase II	Everett	38	\$674,520	\$554,520
12	SR 2 – 4th Street to 7th Street Non-Motorized Transportation Improvements	Newport	7	\$718,000	\$646,200
13	Centennial Trail and 2nd St Intersection Project	Snohomish	44	\$774,500	\$760,000
14	Quilcene Complete Streets Project	Jefferson County	24	\$884,165	\$884,165
15	Olympic Drive Non- Motorized Improvements	Bainbridge Island	23	\$764,200	\$764,200
16	Shoreline – Interurban Trail/Burke-Gilman Connectors	Shoreline	32	\$540,000	\$540,000