

Notes from meeting with Peter Rogoff and CRC Oversight Subcommittee

October 1, 2012, Seattle, Convention Center, Room 208

In attendance:

Legislative: All subcom members except Senator Eide (ill); Hayley Gamble, David Munnecke, Mary Fleckenstein
FTA: Peter Rogoff, Administrator; Rick Krochalis, Region 10 administrator; Brian Farber, Matt Welbus, Lucy Arloscos (FTA New Starts lead)
FHWA: Dan Mathis
WSDOT: Paula Hammond, Nancy Boyd, Ron Judd, Allison Camden
Others: Jennifer Ziegler

Rogoff opening comments. Thank you for having the oversight subcommittee; you're an important group to be able to share details with other legislators. We think this project is very important: multi-state, interstate, critical trade corridor, inadequate old infrastructure. There has to be a project.

Q. Is the \$850 million just for light rail (LRT)?

A. (Rogoff). Yes. That's what's in the application, and it can't be used for bus rapid transit (BRT). This is the largest federal contribution to the project, integrating Vancouver into Portland's LRT program.

What's recently changed is a law Senator Patty Murray got passed, which states that Washington's LRT match, which typically is 50%, can be covered by the state's contribution to the highway portion of the project. No other state in the nation has this benefit. It's huge.

The transit project costs \$850 million, and that's the FTA contribution.

Q. If we dropped LRT and instead went with BRT, would we get federal FTA money?

A. (Rogoff). Since BRT is much less expensive than LRT, the federal contribution would be much less – maybe \$150 million (number pulled out of the air). In this project, the full economic benefit to Washington and Clark County is to be linked into Portland's LRT. Someone boards in Vancouver and goes to any of the Portland LRT stations – that's a key benefit.

If you shift to BRT, you lose the \$850 million. The project will start over in the FTA pipeline; new EIS needed. There will be a several year delay which will make the project even more expensive (time is money), and the benefit of the Murray amendment (essentially match-free FTA funds) is greatly reduced. Also, part of the \$850 million is helping to build the bridge itself – the highway portion of the project – so you'd be creating a bigger hole in your project budget.

Q. TriMet is \$1.7 billion in deficit, and the yellow line isn't running as promised. Aren't we just throwing good money after bad? Didn't you say in Boston that you weren't willing to contribute any more FTA funds to transit systems running in deficit?

A. (Rogoff). You've mis-quoted my speech in Boston. You need to read the whole speech. The T in Boston has \$1.5 billion in debt – on *old* infrastructure that's in serious need of maintenance, and they're trying to build more stuff, expand the system. The existing footprint is seriously underfunded. That's what I objected to in my speech there.

If you listed the top 100 transit systems in the country in terms of how underfunded they are for their footprint, TriMet wouldn't even be in the top 100. TriMet is in good shape. They don't undermaintain their system.

Q. But C-TRAN has \$0 debt now. Won't this make C-TRAN go into debt like Portland?

A. (Rogoff). C-TRAN isn't Boston, which needs to maintain its existing system before expanding. For C-TRAN, there are other avenues available to raise the operating money, even if the November vote fails.

This project passes FTA criteria for cost-effectiveness. Look to the future. It'll be an economic boon to Vancouver and Clark County, and enhance growth opportunities.

Q. Doesn't this just mean people in Vancouver will have an easier trip to Portland to spend their money in Portland? How does that help Vancouver?

A. (Rogoff). They're driving to Portland to do that now. And stuck in traffic doing so.

A. (Moeller). You've got to think of both sides of the river as a single economic region.

A. (Rivers). We need to make sure we don't assume the debt of other agencies, and that the cost of LRT doesn't outweigh the economic benefit to the region.

Q. Can we count on Congress appropriating the \$850 million?

A. (Rogoff). The process for securing the \$850 million is tried and true – the same as for TriMet, and Link Light Rail (Sound Transit). We work with the project sponsor, who is admitted to different stages of the project; we're now in preliminary engineering. Eventually we'll sign a full funding grant agreement (FFGA) – a contract. Congress has been very good about funding FFGAs in the past. The FFGA goes up for congressional review for 30 days before FTA signs it. It's a several year agreement.

Q. How about federal sequestration?

A. (Rogoff). To date, Congress has funded FFGA's.

Q. Does the US Coast Guard's (USCG) response to the project work plan re: the bridge clearance issue impact the FTA's process?

A. (Rogoff). We have a very inefficient process at the federal level. *(He was clearly unhappy with the USCG response, particularly the timing of it, after the ROD had been issued; and his view that they didn't adequately weigh the surface transportation needs.)* Our process takes a long time, but it makes sure projects are completed on time and under budget.

The USCG recently provided a more reasonable response to the project sponsors than was indicated in their initial response to the workplan (referring to a requirement in their Sept 10th response letter that all mitigation be agreed-to before submitting the bridge permit application).

We put the CRC project on the federal "dashboard" for early federal regulatory action precisely to affect USCG actions. If you let a project drag out too long, you can lose partners (Governors, legislators, the President) and this can lead to delay -- even a generation of delay.

Should the Vancouver sales tax vote fail, it won't slow the project down. The project remains in the FTA pipeline until one of the project sponsors says to pull it.

The next big step for the project is for Oregon and Washington legislatures to pass revenue packages to fund the states' equity contributions.