

PRESENTATION TO:

# Washington State Legislature Joint Transportation Committee



- Brian Murphy, Project Manager
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## Project Objective

- Evaluate the programs, management, and governance of the four agencies to identify opportunities for efficiencies and improved services to local governments
  - The County Road Administration Board (CRAB)
  - The Freight Mobility Strategic Investment Board (FMSIB)
  - The Transportation Improvement Board (TIB)
  - WSDOT's Highways & Local Programs (H&LP)

## Context

- Desire to maximize utility of funding in the face of declining revenues, increasing preservation and maintenance needs, and increasing project backlogs
- Agencies are managed and governed as separate entities; have not been systemically evaluated in more than a decade
- Legislature may consider a new funding package in the near future

### AN IMPORTANT, COMPLEX SYSTEM

- » 4 state agencies - CRAB, FMSIB, TIB, H&LP
- » 3 Boards of Directors
- » ~ 70 Staff
- » ~ 12 Grant Programs
- » Transportation projects funded across the State
- » Technical assistance, standard setting, inventory, accounting, and other programmatic responsibilities
- » Approximately \$500 million per biennium in federal and state funding

# KEY ELEMENTS OF OUR APPROACH

## **Description of Agency Functions: *What do the agencies do?***

- Agency interviews, Policy and Technical Work Group meetings
- Agency profiles and summary exhibits

## **Funding Model and Organizational Structure: *Should the State adopt a different model for funding local transportation infrastructure?***

- Alignment with founding statutes and program goals
- Alignment with current policy goals and local and statewide needs
- Alignment with potential future policy direction and funding environment

## **Management Systems, Programs and Processes: *Can improvements be made to the current programs?***

- Stakeholder focus groups, follow-up interviews, and data analysis
- Technical Assistance and Oversight; Funding and Grant Programs; Agency Management; Governance and Organizational Structure

## **Conclusions and Recommendations**

## ***Are the agencies delivering the services and benefits they were designed to deliver?***

- Each of the four agencies was created to address a particular need and serve a different customer base
- Agencies have continued to execute programs and deliver services in alignment with their founding statutes and program direction

## ***Are the programs functioning in the spirit they were intended?***

- These programs are designed to serve local jurisdictions
  - Implementation of “efficiencies” at the State level may shift the burden to the local level, perhaps leading to a net decrease in system efficiency
- Assistance for small jurisdictions in the form of technical assistance and dedicated funding is noted as particularly valuable

## ***Are the services and benefits in line with State transportation policy goals?***

- All programs address the six goals; however, given their broad nature, the goals do not provide a rigorous framework to determine if agencies are meeting the State’s *highest priority* transportation investment needs

# SUMMARY OF FINDINGS: ALIGNMENT WITH CURRENT NEEDS

## ***Are the agencies meeting the needs of local jurisdictions?***

- Technical assistance and regulatory oversight functions are important, particularly for smaller jurisdictions
- Funding programs are generally working well, with opportunities for improvement but no need for structural change at the agency or program level
- **Timing of funding matters.** CRAB is a “first in” funder while TIB is “last in;” there are benefits and challenges to both models
- **Locals are struggling to meet preservation needs.** Many jurisdictions list preservation funding as their greatest need, which is not the focus of many of these programs
- **Definitions and thresholds are necessary but sensitive.** “Rural arterials,” “small” jurisdictions, regions

### **Today’s Discussion Questions**

1. *What do you find most valuable about the technical assistance provided by the agencies? What assistance could be added or improved to better support your needs?*
2. *Considering all of your transportation funding needs, including planning, construction, and preservation work, would you recommend changes in how the State currently distributes financial assistance to local jurisdictions?*

## ***What does the future hold and how appropriate is the existing model?***

- The current model of formula-based allocation and competitive funding programs brings many benefits. However, changes are coming that may require an adjustment to the current model
- **Federal Transportation Reauthorization**
  - May change funding levels and types of projects funded, likely with a greater focus on outcome-based funding
  - May require a reorganization of programs around particular topic areas such as the relationship of transportation to the environment, housing, land use, energy, or national defense
  - A greater emphasis on outcomes aligns well with competitive programs; improvements will be necessary in performance tracking and outcome reporting
- **State Motor Vehicle Fuel Tax Trends**
  - Directly impact the ability of TIB and CRAB to make new awards
  - Consolidation may make sense in an environment with significantly less funding for transportation

## Programs operate very efficiently

- Program administration costs are similar: approximately ***one cent on the dollar*** is spent on program administration and the rest is distributed to local jurisdictions
- Relative to the value the boards provide, the costs of supporting members' travel and providing meeting space are relatively minimal

## Financial management varies by agency

- CRAB/TIB manage direct allocations of the gas tax; FMSIB and WSDOT manage project-specific appropriations
- CRAB's role as a "first-in" funder impacts reappropriation levels and cash balance; putting this money to work is critical in today's economic climate

### Today's Discussion Questions

3. *In your experience, what are some of the factors at the County level and the funding agency level that contribute to project delays? Do you have any suggestions for ensuring funding dollars are utilized in a timely manner?*

# THANK YOU

## Questions? Comments?

### Contact us

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