

Transportation Infrastructure Needs

November 17, 2011



Washington State
Transportation Commission



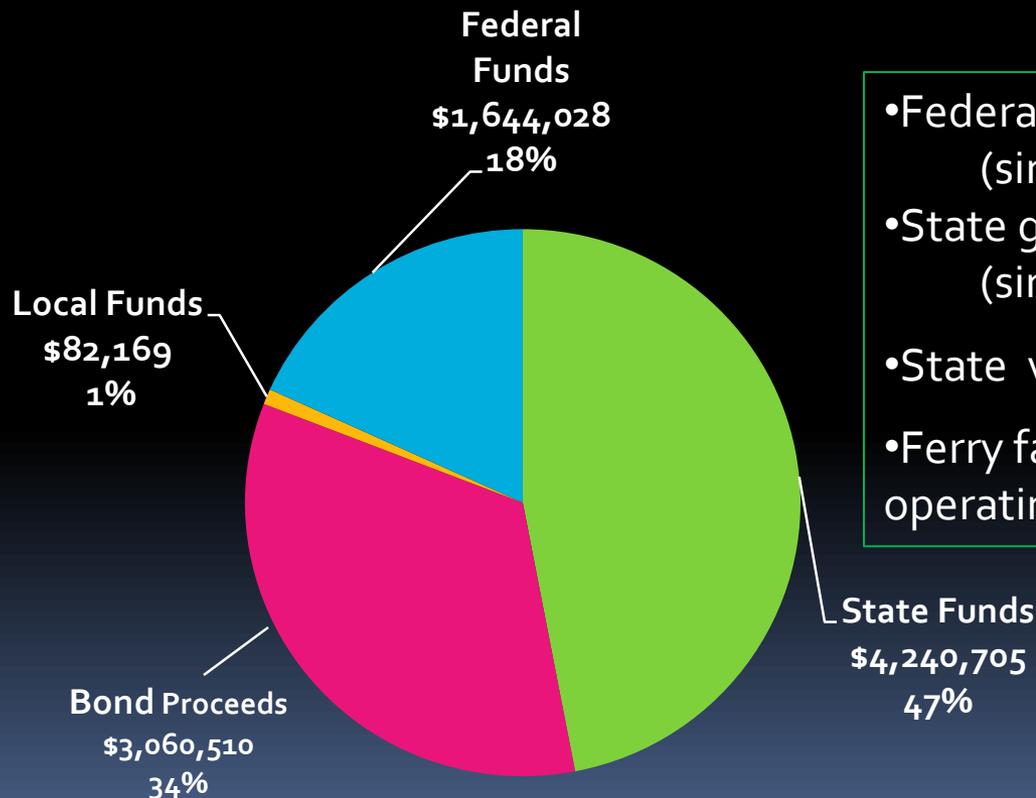
How much is being invested in transportation today?

- 2011-13 Washington State Transportation Budget: **\$9.0 billion**
- Annual county, city and transit investments statewide from local sources: **over \$3 billion/year**



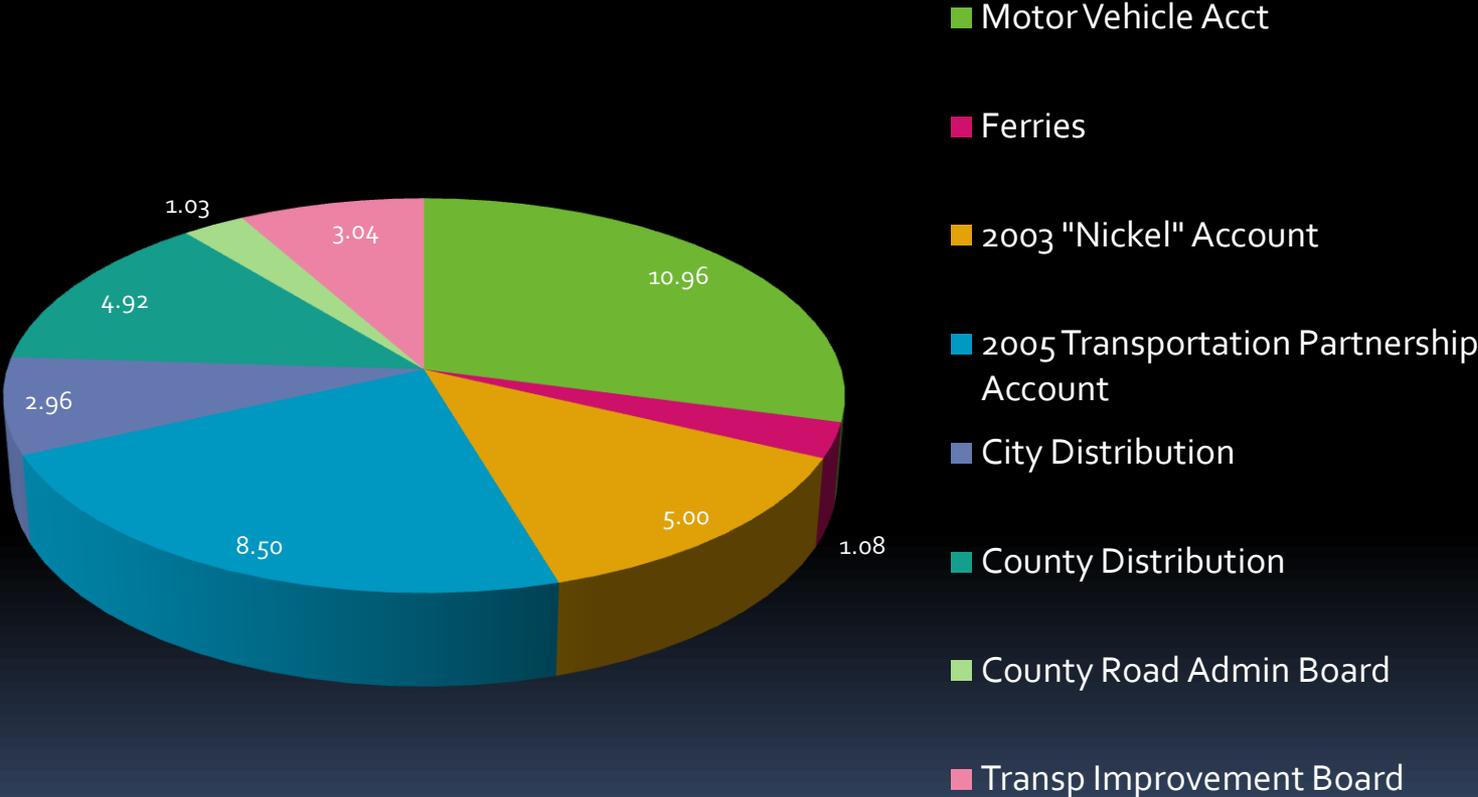
What are the revenue sources for the State Transportation Budget?

2011-13 Enacted Transportation Budget \$9.0 billion



- Federal gas tax = 18.4¢ per gallon (since 1994)
- State gas tax = 37.5¢ (since 2005)
- State vehicle licensing fees & weight fees
- Ferry fares pay 65% to 70% of ferries' operating costs

Allocation of 37.5 Cent State Gas Tax



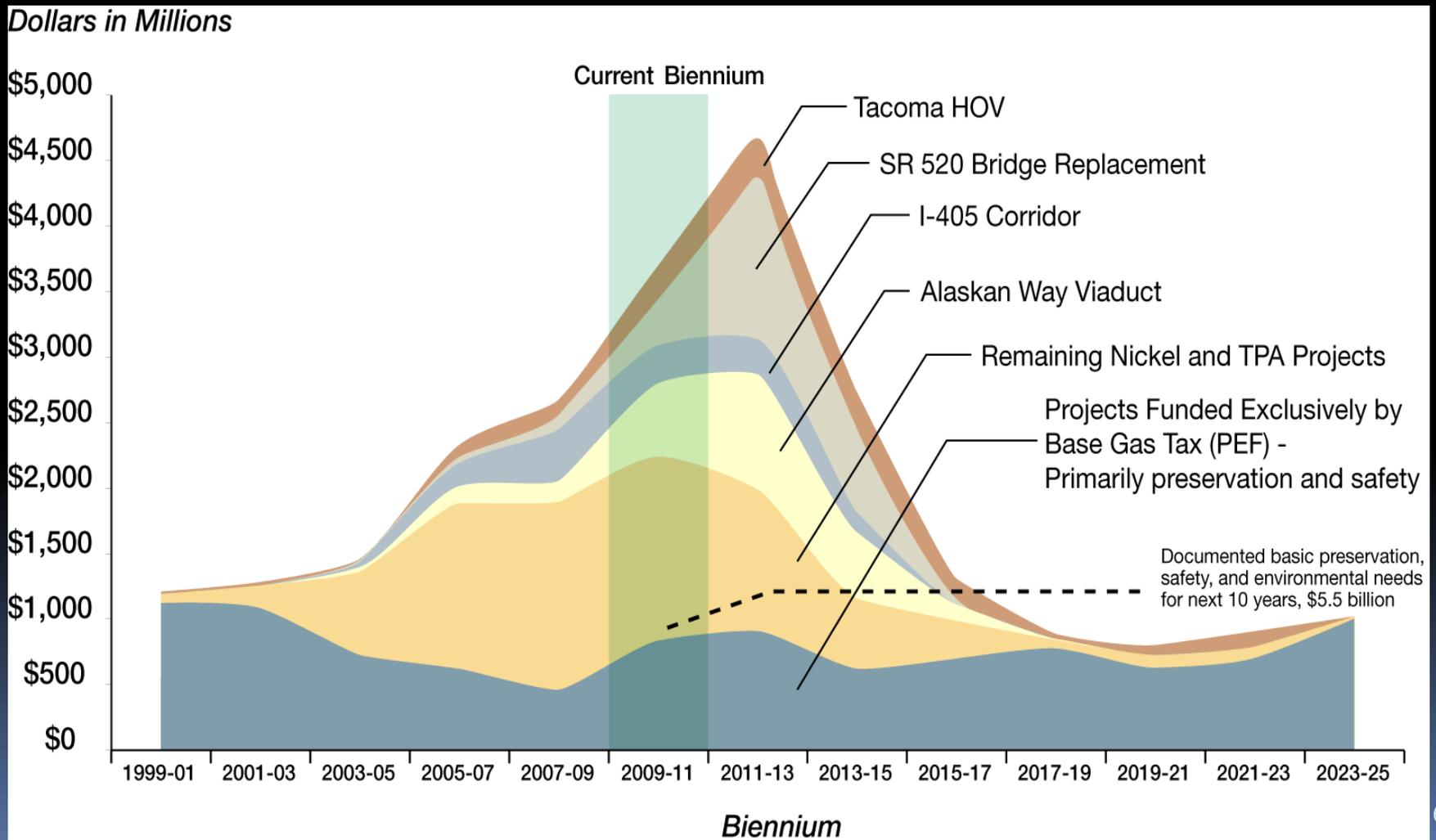
What is Happening Today ?

- Federal funds provide less than 20% of the current state transportation budget
- Most state transportation capital spending today relies on revenue from bond sales
- Declining gas tax revenue impacts the state, cities and counties
- The economy and voter initiatives, such as the property tax cap, have also reduced city, county and transit revenue
- Transit agencies, dependent on sales tax for operations, have lost significant funds while facing higher fuel costs and increased demand



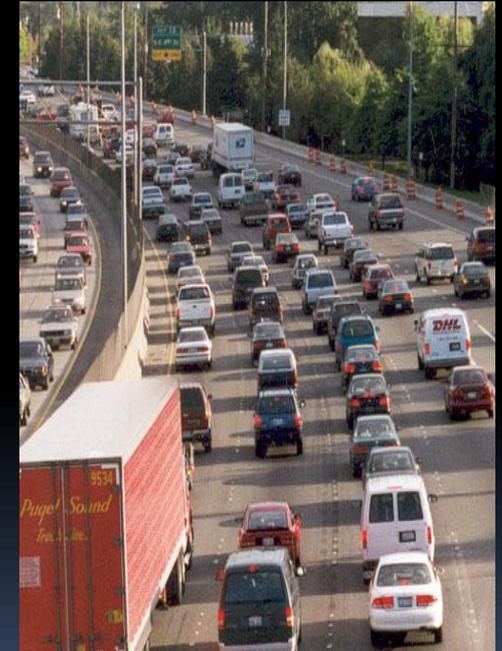
What does the Future Bring?

State transportation spending peaks in the current 2011-13 biennium and then drops off quickly.



Washington Transportation Plan 2030

- A comprehensive and balanced statewide transportation policy plan reflecting the multi-faceted needs of the state's transportation system
- WTP 2030 is intended to guide investment and other transportation decisions
- A transitional plan, crafted at the beginning of a new era
- Federal transportation policy is evolving and fuel tax revenue is declining





The WTP is structured according to six overarching statutory policy goals (*RCW 47.04.280*):

Economic Vitality: Promote and develop transportation systems that stimulate, support and enhance the movements of people and goods to ensure a prosperous economy.

Preservation: To maintain, preserve, and extend the life and utility of prior investments in transportation systems and services.

Safety: To provide for and improve the safety and security of transportation customers and the transportation system.

Mobility: To improve the predictable movement of goods and people throughout Washington State.

Environment: To enhance Washington's quality of life through transportation investments that promote energy conservation, enhance healthy communities, and protect the environment.

Stewardship: To continuously improve the quality, effectiveness, and efficiency of the transportation system.



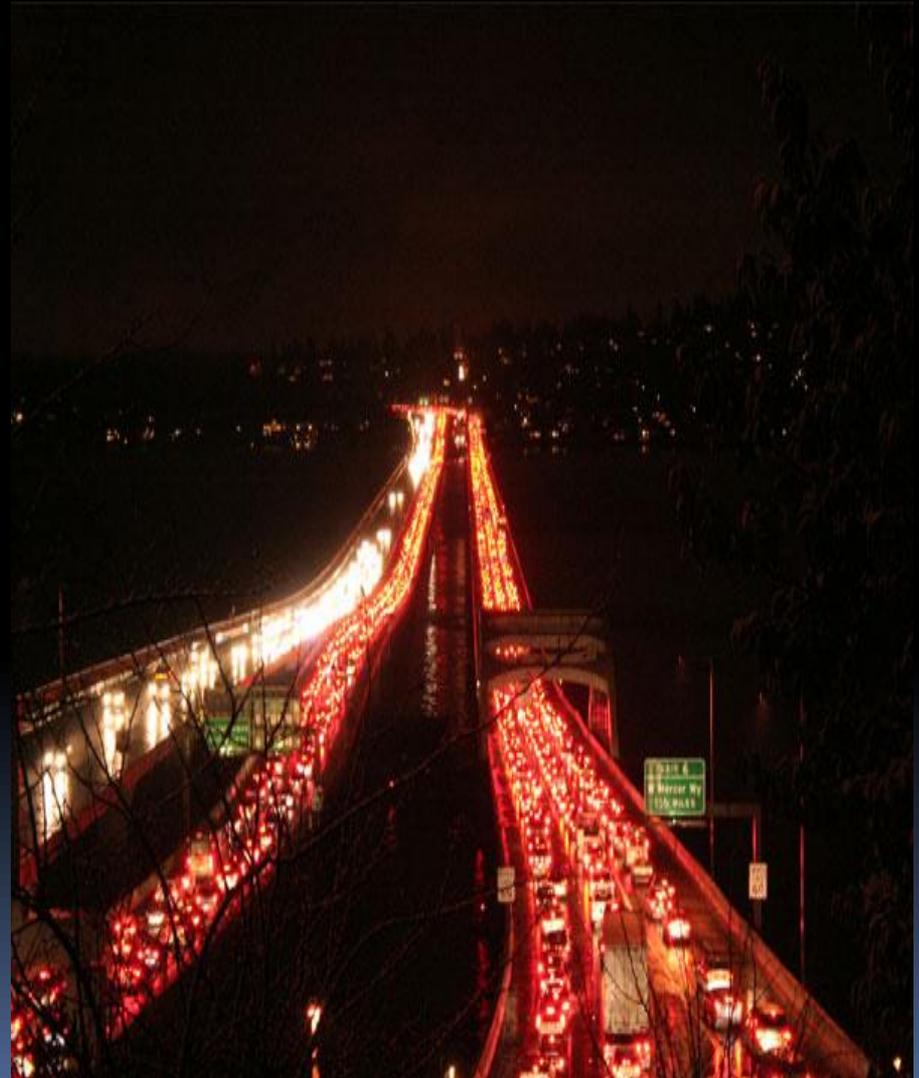
Estimated transportation Infrastructure needs for the next 20 Years:

- By conservative estimates, at least **\$175 to \$200 billion** is needed to **meet statewide transportation needs** over the next 20 years.
 - The state need is estimated to be **\$63.9 billion**
 - The county need is estimated at nearly **\$41 billion**
 - The city need is estimated at almost **\$29 billion**.
- The **14 Regional Transportation Planning Organizations (RTPO's)** were asked in 2010 to submit their top 20 transportation projects (could include any type of project including roads, aviation, transit, etc.) The combined cost for the 14 lists of 20 projects was **\$22.6 billion**.
- The RTPO's separately estimated their preservation needs for roads and bridges over the next 10 years to be a total of **\$6.6 billion**.

The Future of Transportation Funding

For MegaProjects,
Supplement Gas Tax
Revenues with Tolling

- To fund a project
- To manage traffic
- To build a project and manage traffic



Tolling To Fund a Project



Tacoma Narrows Bridge

- Project Cost: \$735 million
- Toll Revenue makes bond payments and finances maintenance and operations



- Toll Rates for car:

<i>Good to Go:</i>	<i>\$2.75</i>
<i>Cash:</i>	<i>\$4.00</i>

- Transit not exempt

Tolling To Manage Traffic

SR 167 HOT Lane Pilot Project:

- High Occupancy Toll (HOT) Lanes using dynamic Tolling.
- Rates reflect current traffic in HOT and general purpose lanes.
- Speeds have increased by 11% in GP lanes.
- Average toll: Less than \$1.00
- HOV's & transit are free



Tolling To Fund a Project & Manage Traffic

SR 520 Replacement / HOV Project:

- New floating bridge
- Extends HOV lanes from I-5 to SR 202
- Project Cost: \$4.65 billion
- Variable Tolls:
 - *Weekday peak: \$3.50 ETC/\$5 pay by mail*
 - *No tolls 11 pm – 5 am*
 - *Exempt from tolls: registered vanpools and transit*



Future Transportation Infrastructure Needs Are Growing. Tolling works for some projects in urban areas.

Uncertainty remains over how the long-term needs across the state will be met.

As the gas tax weakens over time, a replacement revenue source(s) will need to be established if future needs are to be met.



Thank You!

For More Information Contact:

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Transportation Commission

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