

Recommendations to Streamline Local Project Delivery

Washington State Joint Transportation Committee
June 2025





STRATEGY ■ ANALYSIS ■ COMMUNICATIONS

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Executive Summary

This study, mandated by [ESHB 2134](#) (2024), investigates and proposes **solutions to accelerate the delivery of local transportation projects** across Washington. Cities, counties, and transit agencies frequently encounter significant barriers to project delivery, particularly:

- **Complex federal funding requirements.** Projects with federal funding must undergo a time-consuming and costly process to comply with associated federal requirements. Research indicates this causes delays and increased expenses across the US, particularly for smaller jurisdictions with limited internal capacity and expertise.
- **Protracted state agency review and permitting.** Projects face numerous requirements from state agencies like WSDOT, Department of Ecology, WDFW, and DNR. These reviews, especially for projects involving state bodies of water, often lead to substantial delays that can cause projects to miss critical seasonal construction windows and thereby incur higher costs.

The primary objective of streamlining is to deliver the benefits of transportation projects – such as enhanced mobility and improved safety – to Washington communities and taxpayers efficiently and effectively. This efficiency reduces both time and costs, freeing up resources for more projects to be completed.

This report identifies six recommendations to improve local project delivery:

1. Improve federal funding allocation to local projects and create a permanent federal fund exchange program.

- Step 1: Prepare for a permanent federal fund exchange program.
- Step 2: Create a permanent federal fund exchange program

2. Improve timeliness of WSDOT review.

- WSDOT should comprehensively evaluate its review process to identify and eliminate friction points.
- WSDOT should adopt an online permit review and tracking system to improve transparency and coordination across reviewers.

3. Coordinate and simplify interagency environmental review.

- For complex projects, appoint a permit facilitator as the single point-of-contact for the local government applicant.
- Convene a well-resourced, multiagency effort to expedite project delivery.
- Support WSDOT's efforts to complete a programmatic permit with NMFS and expand it to the U.S. Fish and Wildlife Service.

4. Continue WSDOT's efforts to refine DBE requirements.

5. Offer technical assistance to local jurisdictions on best practices in managing projects and consultants.

6. WSDOT should collect project-level data across its regions.

Introduction

This study identifies options to expedite the delivery of local transportation projects initiated by cities, counties, and transit agencies. It addresses challenges in local project delivery, including challenges with requirements associated with federal funding; delays in permitting and project review processes; and the limited capacity and expertise of smaller jurisdictions to manage larger projects.

The study was directed through [ESHB 2134](#) (2024), in which the Washington State Legislature directed the Joint Transportation Committee (JTC) to contract with the Municipal Research and Services Center (MRSC) to convene a work group to review and recommend options to expedite the delivery of local transportation projects (see [Appendix A: Proviso](#)). MRSC partnered with BERK Consulting and Performance Plane to conduct the study (hereafter collectively referred to as the project team).

Objective

The primary objective of streamlining is to deliver benefits of transportation projects – such as enhanced mobility and improved safety – to Washington communities and taxpayers efficiently and effectively. Efficient delivery reduces time and costs, freeing up resources for more projects to be completed.

A primary challenge with streamlining is the balance between the goal of efficient project delivery and the current regulatory framework to protect both the environment and public welfare. Ultimately, regulations should ensure appropriate protections without creating unnecessarily complex or duplicative processes for transportation projects.

Report Overview

This report starts with context-setting around project streamlining and then moves through six recommendations related to the challenges and barriers to delivery of local projects:

- 1. Improve federal funding allocation to local projects and create a permanent federal fund exchange program.*
- 2. Improve timeliness of WSDOT review.*
- 3. Coordinate and simplify interagency environmental review.*
- 4. Continue WSDOT's efforts to refine DBE requirements.*
- 5. Offer technical assistance to local jurisdictions on best practices in managing projects and consultants.*
- 6. WSDOT should collect project-level data across its regions.*

Many of the terms used in this report are defined in [Appendix B: Glossary of Permitting Terms](#).

Study Methodology

Work Group

The work group provided input and direction throughout the project. Membership included representatives from agencies of different sizes and regions across the state as directed by statute. See the textbox at right for a list of participants and [Appendix C: Work Group Membership](#) for the roles they filled per statute.

Research

The project team gathered information through desk research, stakeholder engagement, and a survey of local jurisdictions.

- **Desk research.** Desk research offered background on national trends regarding the costs associated with including federal funding in a project (see [Federal Funding Requirements](#)) but otherwise had limited usefulness. There is no comprehensive source of local transportation project data related to project funding status, costs, and delays in Washington. This is not surprising, given the large number of jurisdictions involved across the state and the lack of standard reporting on different aspects of project delivery. Further, there are substantial variations between each state's and country's regulatory environment and process for allocating state funds to local projects, making it difficult to make inferences based on other places. A journal article in *Infrastructure Costs* notes:

"With so many political, legal, and economic differences across countries, international comparisons are difficult. Even domestic comparisons across time and space face a bedeviling challenge due to the diversity of infrastructure investments. Further, the combination of economic, technical, historical, and legal background knowledge required to understand infrastructure spending and its potential drivers is a strong deterrent to research." (Brooks & Liscow, 2023)

- **Stakeholder and other state engagement.** The project team conducted interviews with work group members and other stakeholders to identify the most substantial causes of project delay and inefficiency. The project team also interviewed representatives from Kansas and Iowa to learn about their federal fund exchange programs. See [Appendix D: Stakeholder Interviewees](#) for a full list of interviewees.

Work Group Members

- Brandy DeLange, Freight Mobility Strategic Investment Board (FMSIB) (as of 12/2024)
- Terry Drochak, Washington State Department of Transportation (WSDOT)
- Jay Drye, WSDOT
- Chris Herman, Washington Public Ports Association
- Steve Johnson, County Road Administration Board
- Brian Johnston, Pierce County
- Kyle McKeon, WSDOT
- Katherine Miller, City of Spokane (through 4/2025)
- Ryan Morrison, Whatcom County
- Jonathan Nichols, Sound Transit
- Ashley Probart, Transportation Improvement Board (TIB)
- Roscoe Slade, City of West Richland
- Peter Stackpole, Intercity Transit
- Melanie Vance, WSDOT
- Phil Wallace, FMSIB (through 12/2024)
- Brad Windler, Island Transit

- **Survey of local jurisdictions.** Working with the Association of Washington Cities (AWC), and Washington State Association of Counties (WSAC), the project team distributed an online survey in early 2025 to counties, cities, and towns with multiple-choice and open-ended questions about project delays, tools and training, and organizations best suited to deliver training. Completed surveys were received from 47 cities/towns and 24 counties. See [Appendix E: Full Survey Findings](#) for a full summary of findings.

Recommendations

The project team and work group iteratively developed recommendations through work group meetings. This work was informed by the following guiding principles and criteria.

Guiding Principles

This effort to expedite delivery of local projects aims to:

- Set local agencies up for success, including through:
 - Eliminating unnecessary requirements.
 - Prioritizing support to agencies with less capacity.
- Ensure appropriate protections for the environment, labor, and cultural resources.

Criteria for Identifying Recommendations

Work group recommendations focused on:

- Changes that are within the State's influence.
- Actions that will have a meaningful impact.
- Topics that the work group could substantively advance by June 2025 to provide the Legislature with actionable next steps.

Background and Current State

Local Project Overview

Local transportation projects are initiated by local jurisdictions, including cities, counties, and transit agencies. The local agency is responsible for project development and oversight of project construction:

- **Project development** includes developing the scope and design, achieving full funding (often from a variety of funding sources), acquiring necessary permits and approvals (see sidebar), and completing the procurement and bidding process for construction.
- **Oversight of project construction** includes inspection of materials and worksite, assuring conformity with plans, approving change orders, and more to ensure that the contracted firm or firms that implement the project adhere to expectations and standards.

Some local transportation projects receive federal funding. These projects are “federalized” and must remain in compliance with federal program requirements, as described in the sidebar.

Barriers to Local Project Delivery

Work group discussions and responses to the local jurisdiction survey identified that barriers to local project delivery typically occur during the project development phase. Survey respondents identified two primary barriers: federal funding requirements and State agency review processes and regulations.

The following two subsections provide background on each of these barriers. See [Exhibit 1](#) and [Appendix E: Full Survey Findings](#) for more complete survey input on barriers to project delivery.

Regulations, Permits, and Approvals

A local jurisdiction must adhere to a combination of local, state, and federal regulations.

Local Regulations

Local requirements and regulations typically include:

- Permit requirements, such as land use, grading, drainage, and utility.
- Critical areas regulations.
- State Environmental Policy Act (SEPA) and state Shoreline Management Act.
- Flood risk assessment.
- Other relevant local standards.

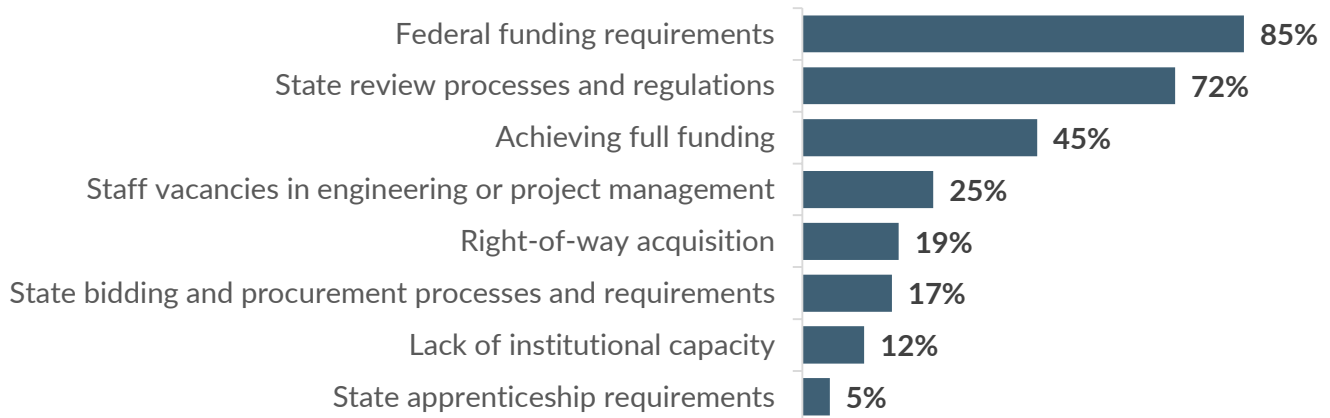
State and Federal Regulations

To preserve the safety, integrity, and mobility of the state and federal highway systems, many local projects must also undergo review by WSDOT and/or the Federal Highway Administration (FHWA). This includes, but is not limited to, any project that meets one or more of the following criteria:

- Receives federal funding.
- Is included in the Statewide Transportation Improvement Program (STIP).
- Is located within the Interstate Right of Way.
- Impacts the State Highway System.
- Includes bridge construction.

Federal requirements may include additional standards for environmental determination and mitigation, right-of-way procurement, utility relocation, design standards, project management and contract compliance, and quality assurance procedures. There are also state and federal requirements related to environmental protection, workforce equity, and workforce development. Specific policies may include, but are not limited to, the National Environmental Policy Act (NEPA), Endangered Species Act (ESA), Clean Water Act, Hydraulic Project Approval, Construction Stormwater General Permit, Apprenticeship, and Disadvantaged Business Enterprise (DBE) standards.

Exhibit 1. Barriers to Efficient Delivery of Transportation Projects as Identified by Survey Respondents (n = 75)



Note: Each respondent selected up to 3 options. One city and two counties had multiple staff who filled out the survey. Sources: BERK, 2025; MRSC, 2025; Performance Plane, 2025.

Federal Funding Requirements

The survey identified federal funding requirements as the top barrier to efficient project delivery, with 85% of respondents including this within their top three barriers. Survey respondents and work group members reported the most substantial difficulties with two areas of federal requirements:

- **Endangered Species Act (ESA) process.** The federal ESA process is severely backlogged, impacting nearly every local transportation project with federal funding that increases impervious surface. According to WSDOT, new federal stormwater standards aimed at reducing toxic tire dust runoff into salmon-bearing waterways have more than doubled the number of local projects that trigger National Marine Fisheries Service (NMFS) consultation under the ESA. Without federal funding, many of these projects would not otherwise require ESA review (see [Appendix F: Activities that Trigger ESA Review Regardless of Federal Funding Status](#)). While WSDOT has funded two positions at NMFS to complete review of local projects, delays are still significant, and NMFS consultation typically adds three to five years to the ESA compliance process. For example, in June 2025, NMFS had almost completed review of projects submitted in 2023.
- **Disadvantaged Business Enterprise (DBE) requirements.** Survey respondents and work group members expressed challenges with meeting DBE requirements, particularly related to the lack of availability of DBE firms outside the central Puget Sound region. For example, one local jurisdiction outside this region brought in traffic control contractors from across the state to meet the requirements, which significantly increased costs. Local jurisdictions also cited delays caused by changing standards or inflexible application of requirements, resulting in rejection of contractor bids based on technicalities. Proven DBE contractors often cannot take on additional projects, while prime contractors can be reluctant to subcontract work to firms they have not worked with before.

Some respondents noted that federal requirements are becoming increasingly onerous, with increased complexity not perceived as adding public benefit.

Desk research identified federalization of transportation projects as a cause of increased costs and extended timelines across the US. This is because the use of federal funds in local projects introduces a host of regulations that may not otherwise apply (Texas A&M Transportation Institute, 2020) (USF Center for Urban Transportation Research, 2020). FHWA itself notes that “navigating this complex process of obtaining federal aid and meeting all of its requirements can be difficult, time consuming and costly” (FHWA, n.d., p. 1). See [Exhibit 2](#) for a common permitting path for a local transportation project in Washington with federal funding and see the textbox at right for examples of additional processes and costs due to project federalization in other states.

The U.S. General Accounting Office (GAO) found that federalizing transportation projects for small dollar amounts is especially inefficient, as these projects have higher rates of noncompliance with federal requirements, higher risk of ineffective oversight, and are less effective at amortizing the higher costs associated with federal requirements (GAO, 2014). This is particularly true when the agency lacks Certification Acceptance (CA), as non-CA agencies may rely on management by a third-party agency, which can create higher costs and workload. See the textbox at right for an overview of CA.

The project team used data from TIB and WSDOT Local Programs (i.e., Program Z) to identify that Washington has a significant number of currently-federalized projects in the planning phase with small amounts of federal funding, defined as less than \$1 million:

- **TIB.** At the time of analysis, TIB had 32 federalized projects in the Application or Design phase. Approximately half of these (14 projects) had federal funding of less than \$1 million.
- **WSDOT Local Programs.** At the time of analysis, Program Z had 108 active, federalized projects led by non-CA agencies in the Planning or Design/Right-of-Way phases. Most of these (97 projects) had federal funding of less than \$1 million.

Impact of Project Federalization in Other States

Other states have evaluated how use of federal funds impact their local project delivery.

The Florida DOT found that the pre-construction phase of projects with federal funding was 1.8 to 3.5 times longer than for projects without federal funding (Texas A&M Transportation Institute, 2020, p. 56).

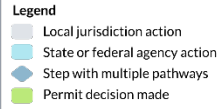
In a survey of Arizona cities, many respondents reported higher costs due to administering a project with federal funds as compared to one with only local or state dollars. Staff from the City of Scottsdale noted a 20 – 40% increase in construction costs because of higher oversight created by using federal funding” (Texas A&M Transportation Institute, 2020, p. 47).

Certification Acceptance

The FHWA delegates authority to WSDOT through a stewardship agreement to approve project development and construction administration. WSDOT can delegate some or all of this authority to qualified local agencies through a CA program. Not all agencies have the resources within their organization to gain CA status. Non-CA agencies are encouraged to work with CA agencies to comply with the federal requirements to receive federal funding (WSDOT, 2025).

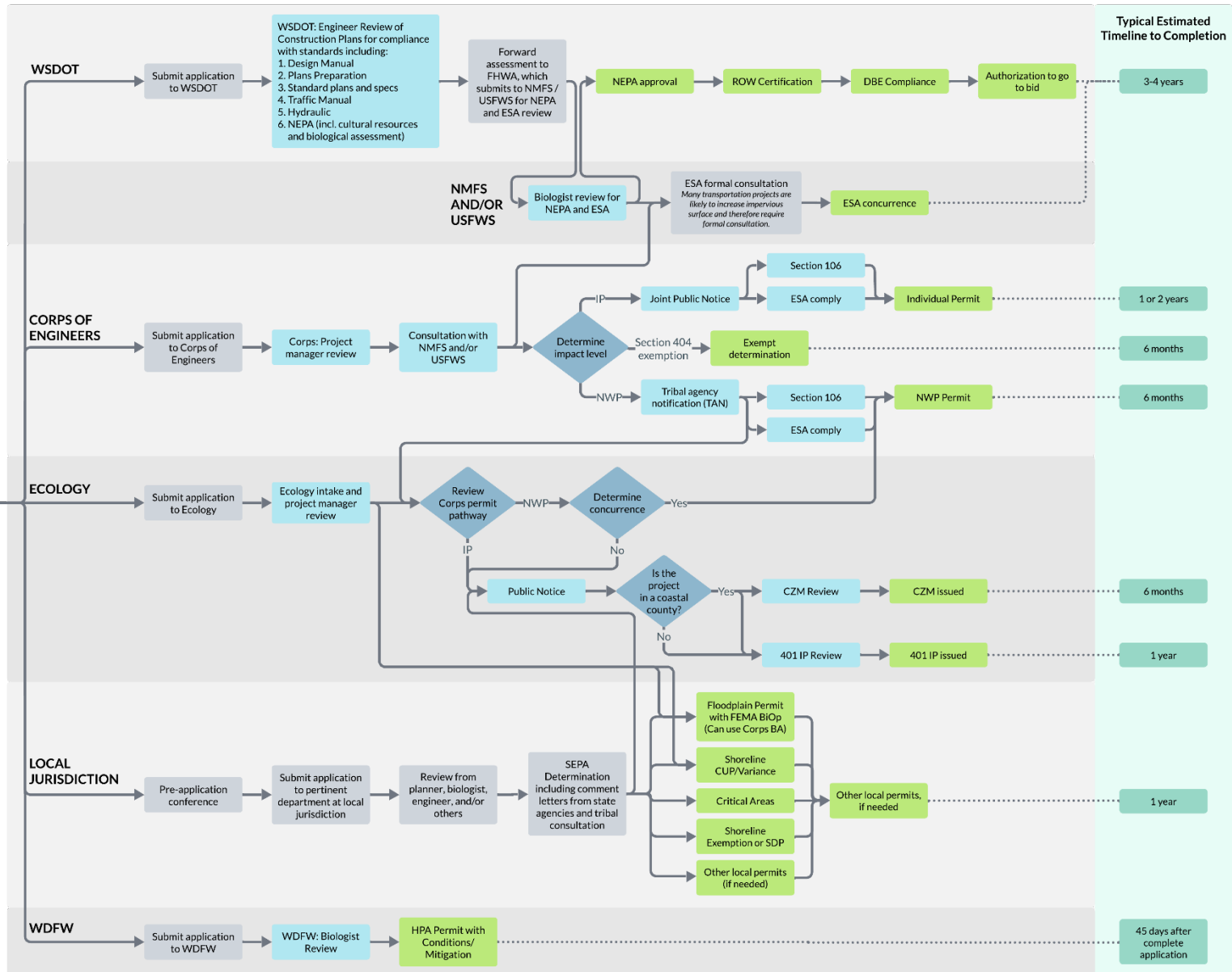
Exhibit 2. Permitting Map for Local Transportation Projects with Federal Funding

Note: each of these steps often involves substantial back-and-forth, including regular informal communication, between the local jurisdiction and the state agencies or federal agencies to successfully move through the step and onto the next steps.



Local government submittals
Project- and site-dependent, potentially including:

- SEPA/NEPA
- Shoreline permit application
- Flood risk assessment
- Floodplain Habitat Assessment (FEMA BiOp)
- RRMP consistency (if county)
- Drainage permit application
- Grading permit application
- Utilities permit application
- JARPA
- Design plans
- Critical Areas Assessment
- Biological Assessment
- Cultural Resources Analysis



Note: See [Appendix B: Glossary of Permitting Terms](#) for definitions of terms used in this visualization.

Sources: Washington State Department of Ecology, 2025; Multi-Agency Review Team, 2022; WSDOT, 2025; BERK, 2025; MRSC, 2025; Performance Plane, 2025.

State Review Processes and Regulations

Respondents of the local jurisdiction survey identified state review processes and regulations, including coordination with review agencies such as WSDOT, Ecology, Washington Department of Fish and Wildlife (WDFW), or the Department of Natural Resources (DNR), as the second highest barrier to efficient project delivery. 72% of responding jurisdictions identified this within their top three barriers.

Survey respondents, interviewees, and work group members noted that complex local transportation projects, especially those that involve construction over or within waters of the state, face a daunting array of permitting requirements from multiple agencies. See [Exhibit 2](#) for an illustration of the extensive permitting steps that may be required of a local project. These permitting processes often result in project delays, which can cause a project to miss one or more seasonal construction windows, delaying construction significantly and increasing costs. See the textbox at right for more discussion of the cost implications of project delays.

Common challenges with state review processes and regulations include:

- **Lack of coordination and communication.** There is often inadequate coordination among and within the many agencies involved in local project permitting and approvals. Too often, state agency project review staff, including at WSDOT, do not receive upfront information about the purpose and scope of the projects, hampering streamlined reviews. Further, there is no comprehensive online permit review and tracking system for WSDOT review of local project applications. This hampers intra- and inter-agency coordination, limits local government applicants' ability to track the status of project reviews, and limits understanding of the specific stages of review that cause delay.
- **Inconsistent standards.** Agencies sometimes apply standards inconsistently across projects or time.
- **Overlapping regulations.** The existing regulatory framework for review of local transportation projects is an accumulation of overlapping state and federal rules and laws. Regulations to enhance environmental and community protection have been layered over time without sufficient effort to ensure that the elements of the framework function cohesively.
- **Delayed WSDOT review.** Local transportation project managers comment that it can take weeks or months to receive responses from WSDOT reviewers at certain times or offices. The timeframes vary by region and are impacted by competing priorities for WSDOT engineers' time.
- **Understaffing of both federal and state agencies.** WSDOT review funding and staffing levels have not kept up with increased capital investment in local transportation projects. Similarly, understaffing at federal agencies also contributes to delays in review processes.
- **Lack of understanding by local jurisdictions and their consultants.** Some survey respondents and work group members noted that staff and consultants at local jurisdictions, especially smaller

Cost Implications of Project Delays

Historical cost indexes and price trends can help to illustrate potential cost implications of project delays. For example, the National Highway Construction Cost Index, which measures the average change in prices paid by State DOTs nationally for highway construction materials and services, increased by 54% between 2020 Q4 and 2023 Q2. According to WSDOT bid data, from 2019 to 2023, composite asphalt prices increased by 41%, cement concrete pavement prices increased by 45%, and crushed surfacing base course costs increased by 14%.

Source: "[WSDOT Construction Costs and Bid Environment](#)" presentation to the House Transportation Committee, February 2024.

jurisdictions, may have limited understanding of review processes, hindering efficiency and effectiveness. WSDOT is recognized nationally for its comprehensive manuals, so while information is readily available, this format alone may not be adequate to support local jurisdictions.

History of Streamlining Efforts

Streamlining project delivery has been a consistent and ongoing focus for the State. See [Exhibit 3](#) for a summary of those efforts since the early 2000s, many of which have been successful and served as a foundation for this study. These efforts illustrate the importance of consistent, ongoing attention to process improvements. For example, the Transportation Permitting Efficiency and Accountability Committee's work represents a five-year, intensive commitment to improving the environmental permitting process for transportation projects. This work was initiated 20 years ago and resulted in the development of programmatic permits that set a precedent for a programmatic approach to NMFS review, among other achievements. A similar, focused interagency effort is needed today.

Past efforts have spanned four primary categories:

- **Consistency** and coordination of project review and statutes.
- **Staffing** increases and training.
- **Permitting** process improvements.
- **Funding** requirement streamlining.

Current Relevance of Past Streamlining Recommendations

One notable past effort is the 2008 report, [Local Government Permitting: Best Practices](#), from the Governor's Office of Regulatory Assistance. Despite the time since its publication, this report remains relevant today. It includes a summary of six best practices for efficient permitting processes that provides a framework for the findings and recommendations in this study. The six best practices are:

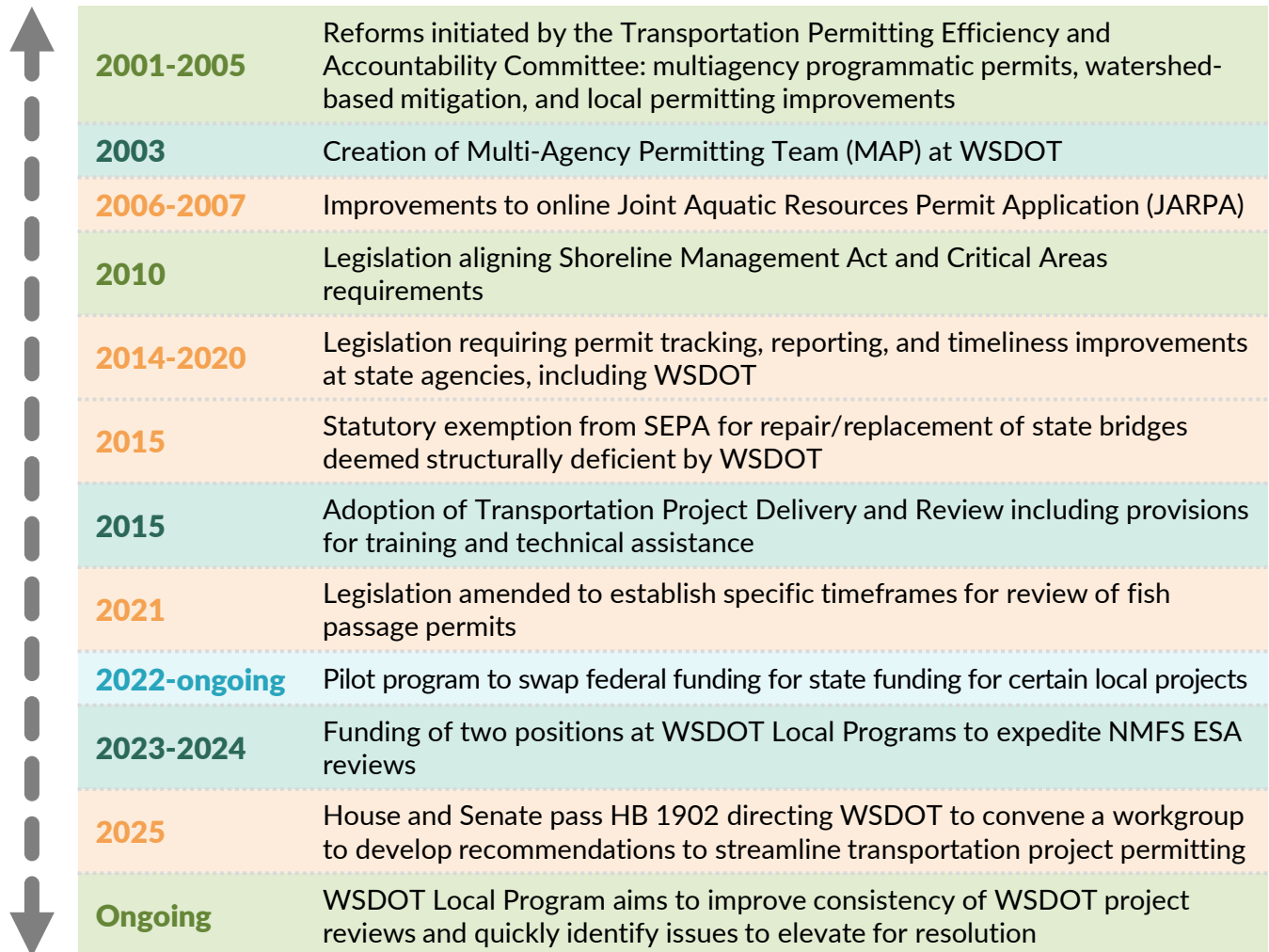
1. **Build mutual understanding** of the "how" and "why" of the permit process. Work together and educate all participants about how to be effective during permit review.
2. **Connect reviewers and applicants early**, before application submittal, to identify and resolve critical design requirements and constraints without surprise and rework late in the process.
3. **Ensure complete applications** by defining what constitutes a complete application, making this list clear to applicants, and requiring these items to be present at submittal.
4. **Analyze the process**, its performance, and costs of service so applicants and reviewers know how to execute the steps. Mapping the full permit process can reveal opportunities for improvement and serve as part of the basis for determining permit fees.
5. **Use information technology**, such as electronic permit tracking systems, plan review software, and geographic information systems (GIS), and integrate these systems online to improve communication, reduce paperwork and build easily accessible project record.
6. **Implement systems for staffing flexibility** to maintain performance during high volume periods.

Exhibit 3. Streamlining Efforts in Washington State

Four overarching strategies

Consistency	Staffing	Permitting	Funding
Coordination and consistency of project review and statutes	Increased staffing and training	Improved processes	Streamlined funding requirements

Timeline of specific actions



A vertical timeline with a central axis of grey circles. To the left of the axis is a large upward-pointing arrow at the top and a large downward-pointing arrow at the bottom. The timeline consists of colored rectangular blocks, each containing a date or range of years and a description of an action. The colors of the blocks correspond to the four overarching strategies: Consistency (green), Staffing (teal), Permitting (orange), and Funding (light blue).

2001-2005	Reforms initiated by the Transportation Permitting Efficiency and Accountability Committee: multiagency programmatic permits, watershed-based mitigation, and local permitting improvements
2003	Creation of Multi-Agency Permitting Team (MAP) at WSDOT
2006-2007	Improvements to online Joint Aquatic Resources Permit Application (JARPA)
2010	Legislation aligning Shoreline Management Act and Critical Areas requirements
2014-2020	Legislation requiring permit tracking, reporting, and timeliness improvements at state agencies, including WSDOT
2015	Statutory exemption from SEPA for repair/replacement of state bridges deemed structurally deficient by WSDOT
2015	Adoption of Transportation Project Delivery and Review including provisions for training and technical assistance
2021	Legislation amended to establish specific timeframes for review of fish passage permits
2022-ongoing	Pilot program to swap federal funding for state funding for certain local projects
2023-2024	Funding of two positions at WSDOT Local Programs to expedite NMFS ESA reviews
2025	House and Senate pass HB 1902 directing WSDOT to convene a workgroup to develop recommendations to streamline transportation project permitting
Ongoing	WSDOT Local Program aims to improve consistency of WSDOT project reviews and quickly identify issues to elevate for resolution

Sources: BERK, 2025; MRSC, 2025; Performance Plane, 2025.

Recommendations

The following recommendations address the two main barriers to effective delivery of local projects: federal funding requirements and state review processes and regulations.

1. Improve federal funding allocation to local projects and create a permanent federal fund exchange program.

A 2020 study prepared by the University of South Florida (USF) Center for Urban Transportation Research found that at least 15 states have adopted federal fund exchange programs (USF Center for Urban Transportation Research, 2020). USF's review found that in addition to avoiding onerous federal requirements, these programs resulted in time and cost savings, improved flexibility in project execution and delivery, and enabled funding for a wider variety of projects (USF Center for Urban Transportation Research, 2020, p. 35). See the textbox on the next page for profiles of federal fund exchange programs in three other states.

Effective implementation of a federal fund exchange in Washington would entail two sequential steps: preparation and implementation.

Step 1. Prepare for a permanent federal fund exchange program.

- **Authorize a stable funding source for the federal fund exchange pilot program and expand its reach.** The legislature should consistently fund WSDOT's federal fund exchange pilot program, including to enable WSDOT to expand it to more local agencies. Eligibility should prioritize:
 - Agencies without Certification Acceptance to use federal funds on their own (see textbox on page 10 for more information).
 - Funding programs with small federal allocations, such as the National Highway Freight Program, Highway Safety Improvement Program (HSIP), Local Bridge Program, and National Highway System Asset Management Program.
- **Expand TIB's role in facilitating federal fund exchange.** Defederalize local projects within the TIB fund by moving federal obligation authority from smaller projects to larger projects.
- **Fund and commission a data analytics and program design study.** This would enable the State to fully understand the characteristics of the federalized local project inventory and federal fund sources to inform design of a permanent federal fund exchange. Some of this data may overlap with other project-level data this study recommends that WSDOT collect (see Recommendation 6. *WSDOT should collect project-level data across its regions*).

Step 2. Create a permanent federal fund exchange program.

TIB and WSDOT have an inventory of more than 1,600 local projects, some of which could be used to reallocate federal funding from smaller projects to larger federalized projects. Candidate projects for defederalization need to be identified early in the project development process, and certainly before federalizing the construction phase. See [Federal Funding Requirements](#) for analysis of the scale of projects in Washington that could be good candidates for defederalization.

Based on findings from research and interviews with other states, a permanent federal fund exchange in Washington could exchange funds either after or before project selection

- **After project selection.** Exchange of federal funds after project selection occurs at the project level and can require modifying the budget and Statewide Transportation Improvement Program (STIP) listings of individual projects. Modifying the budget can delay project initiation by weeks or months compared to exchanging funds before project selection, but would still represent a substantial improvement over current practices. This model would retain Washington's current budget practices, under which the Legislature allocates state and federal funds at the project level.
- **Before project selection.** Exchange federal funds before project selection – i.e., exchange entire pools of federal funds with state funds – is more administratively efficient because the funding status of individual projects, including STIP listing, does not have to be changed after award. This approach would diverge from Washington's current budget practices.

These options are illustrated in [Exhibit 4](#) and [Exhibit 5](#). The final design of the exchange program would depend on the outcome of the preparation step and would likely require additional funding, resources, and policy changes. Regardless of the timing of funds allocation, any federal rules or regulations related to the fund source must be observed.

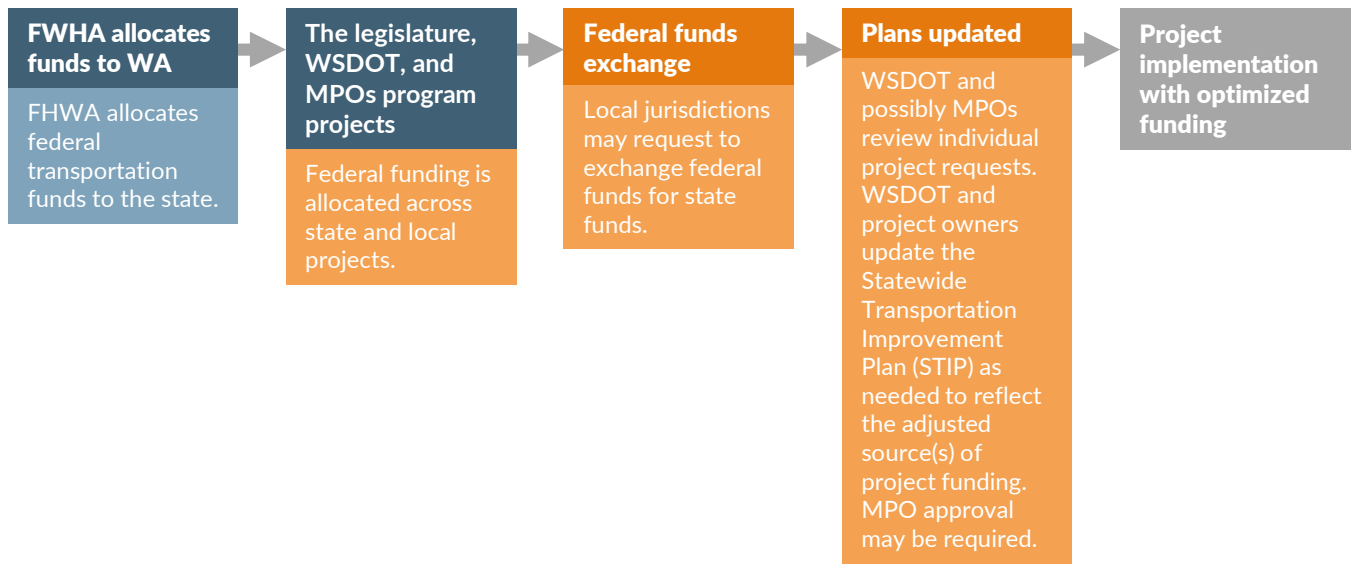
Federal Fund Exchanges in Other States

California has operated a [federal fund exchange program](#) since 1992 for Regional Surface Transportation Program (RSTP)/Regional Surface Transportation Block Grant Program (RSTBGP) funds. Eligible agencies include Regional Transportation Planning Agencies (RTPA) not designated as or represented by a Metropolitan Planning Organization (MPO) with an urbanized area of greater than 200,000 residents. RSTP/RSTBGP funds are exchanged on a dollar-for-dollar basis for nonfederal State Highway Account funds. Counties may also be eligible to exchange RSTP/RSTBGP funds if their RTPA chooses not to participate in the exchange; if the county receives less than 1% of the total statewide apportionment of RSTP/RSTBGP funds, in which case the county's entire apportionment is eligible for exchange; or if the county receives a portion of RSTP/RSTBGP funds in excess of 3.5% of the total statewide apportionment, in which case the county's excess portion is eligible for exchange.

Kansas has run a federal fund exchange program since 2011 with the full support of the FHWA. Eligible jurisdictions include all counties and cities with a population greater than 5,000 but less than 200,000 and not in an MPO (i.e., Kansas City and Wichita). These eligible jurisdictions receive an annual allocation of Surface Transportation Block Grant (STBG) federal funds using the same formula as for the gas tax allocations, which they can use for a federal project subject to all federal requirements or they can exchange at 90 cents on the dollar to be used for anything road- or bridge-related. This provides locals with substantial flexibility and allows them to receive reimbursement for items that would not otherwise be eligible for assistance, such as gravel and chip seals. The DOT runs the program and there is no involvement from the legislature. In the past four years, there has been 100% participation from eligible jurisdictions for the swap program.

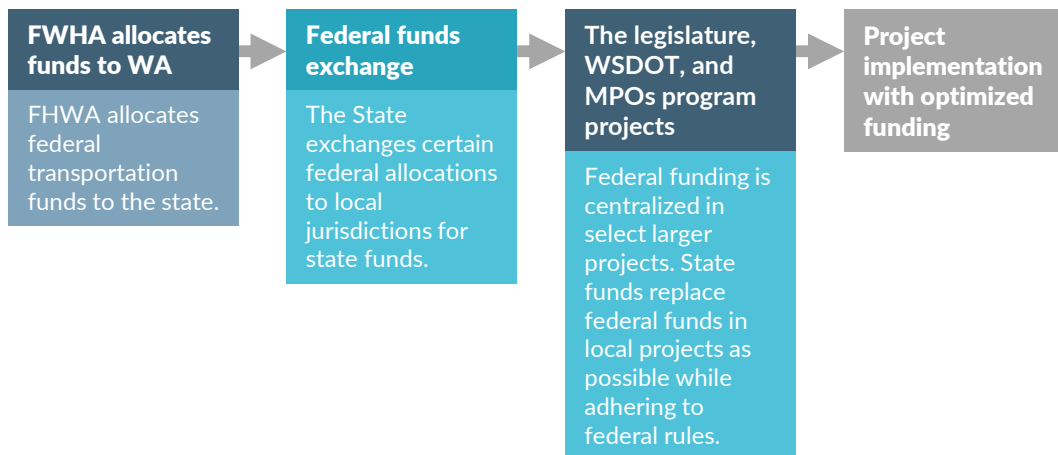
Iowa's Federal-aid swap program exchanges federal funds with nonfederal Primary Road Funds on a dollar-for-dollar basis on eligible projects. This program was first implemented in 2018 and is codified in Iowa Code 313.4, Section 1.c. As of February 2023, eligible projects include city projects with STBG funds awarded through Regional Planning Affiliations and county and city projects allocated through the HSIP – Local program. All swap program projects are required to be submitted to the DOT for inclusion in the STIP. The swap program is only used for the construction phase of projects, with the purpose of streamlining project development submittals and processes such as environmental review and construction inspection. According to [I.M. 1.150](#), one of several [instructional memorandums](#) developed by the DOT for local agencies navigating the swap program, swap program projects can reduce the project development process by up to six months.

Exhibit 4. Optimized Allocation of State and Federal Funds for Individual Projects (After Project Selection)



Sources: BERK, 2025; MRSC, 2025; Performance Plane, 2025.

Exhibit 5. Optimized Allocation of State and Federal Fund Appropriations (Before Project Selection)



Sources: BERK, 2025; MRSC, 2025; Performance Plane, 2025.

2. Improve timeliness of WSDOT review.

A. *WSDOT should comprehensively evaluate its review process to identify and eliminate friction points.*

Overall, the WSDOT review process would benefit from increased collaboration and communication within the agency and between the agency and local project owners, including through more in-person problem solving.

Process improvement could be based on LEAN principles¹ and should:

- **Establish performance standards**, including timeframes, for the review of local transportation projects.
- **Remove inconsistencies in review standards and changes in interpretation from one reviewer to the next.** WSDOT Local Programs and Development Services are currently working to develop consistent review checklists, but this will not necessarily resolve the issue of standards being interpreted differently over the course of the project review.
- **Eliminate application of new standards or processes to projects that are already under review**, unless required by law.
- **Determine the appropriate scale of staffing and resources** devoted to the review of both WSDOT and local transportation projects to meet performance standards. This should include strategies to meet performance standards during temporary high-volume periods, potentially through means such as temporary hiring, on-call consultants, contracting, or interagency agreements.
- **Establish requirements for project initiation meetings** that include the local government applicant and all state agency reviewers to facilitate early resolution of issues and to eliminate much of the need for post-submittal follow-up questions.
- **Improve communication with local governments** throughout the duration of the review process.
- **Streamline HQ review of decisions made by WSDOT regions** to eliminate repetitive steps in the process.

B. *WSDOT should adopt an online permit review and tracking system to improve transparency and coordination across reviewers.*

Permit tracking software systems are readily available and have been used effectively by many local governments and some other state agencies. A tracking system would provide WSDOT reviewers and managers and local government applicants with the ability to track the progress of individual local projects, increasing transparency in the project review process and reducing inconsistent review comments. It would also provide aggregated reporting across all project reviews so procedural bottlenecks could be readily identified and addressed.

Collaborative plan review software such as Bluebeam is a common tool for design engineers and architects and should be integrated into the permit tracking system. Currently, WSDOT's use of such software is ad hoc based on the initiative of individual engineers and managers. WSDOT should use

¹ The Washington State Auditor's Office provides LEAN services at no cost to Washington governments. See: <https://sao.wa.gov/improving-government/lean-services>

collaborative plan review software to ensure all WSDOT reviewers for a given local project have access to the same information about the project's progress through plan review. This would minimize repetitive steps such as duplicative requests for information from local project managers. It would also enable real-time coordination among reviewers.

This would require new funding for WSDOT.

3. Coordinate and simplify interagency environmental review.

A. For complex projects, appoint a permit facilitator as the single point-of-contact for the local government applicant.

A permit facilitator would reside within an Executive agency such as the Office of Regulatory Innovation and Assistance (ORIA), WSDOT, or other agency and would be empowered to convene decisionmakers to resolve issues that arise from differences in interpretation by the review agencies. Previous pilot projects in Washington State have demonstrated that a single project facilitator significantly enhances review time frames, communication, and effective collaboration (Washington Department of Ecology, Washington Department of Fish and Wildlife, Environmental Protection Agency, 2022).

B. Convene a well-resourced, multiagency effort to expedite project delivery.

Past streamlining efforts have yielded improvements to overlapping requirements, but additional changes to RCWs, administrative rules, and agency policies and practices are needed to remove unnecessary bottlenecks and redundancies in the submittal and review process.

Transforming the current regulatory framework and processes will take a concerted effort that is backed by State leaders. The current system has evolved over decades, and it will take time and attention to streamline processes without dismantling the environmental protections that are a core State value. As an initial step, a process improvement effort could be supported by LEAN assistance and services available at no cost through the WA State Auditor's Office. Such an effort would need to be supported by the sufficient investment of time by knowledgeable State agency permitting staff, including WSDOT representatives.

This effort should:

- Consider updates to the online JARPA submittal form to reduce duplication.
- Standardize the required information to be submitted across agencies.
- Standardize interpretation of rules.
- Limit review standards to only those in place at time of submittal.
- Simplify repetitive input of required data through technology solutions.
- Develop standards for review that are mutually agreed-upon by state agencies and Tribal governments.

C. Support WSDOT's efforts to complete a programmatic permit with NMFS and expand it to the U.S. Fish and Wildlife Service.

WSDOT Local Programs is finalizing an agreement with NMFS that would streamline ESA review through a programmatic permit. Two actions would support these simplification efforts:

- **Provide additional funding for WSDOT to implement this work.** Supporting WSDOT in this effort would entail ensuring adequate WSDOT staffing for compliance with the terms of the programmatic permit, including required retrofitting of existing stormwater facilities.
- **Expand this effort to the U.S. Fish and Wildlife Service (USFW)** to streamline ESA application submittal with that agency as well.

4. Continue WSDOT's efforts to refine DBE requirements.

WSDOT administers the federal DBE program, which is undergoing changes at the federal and state level. At the time of this report, WSDOT's Office of Equity and Civil Rights was in the process of developing some streamlining measures for the DBE program. Elements that should be considered for this process include:

- **Base DBE goals on the capacity of DBE contractors** to take on work in any given quarter of the year, rather than the number of certified DBE contractors.
- **Expand efforts to build the capacity of less-experienced DBE contractors** through:
 - Mentorship.
 - Incentives to encourage prime contractors to contract with DBE contractors that they have not worked with before.

5. Offer technical assistance to local jurisdictions on best practices in managing projects and consultants.

While survey respondents emphasized the need for process improvements over technical assistance, 85% of respondents nonetheless noted that training on project delivery would be helpful.

This could be especially true for small jurisdictions that rely heavily on consultants to manage their projects, who noted that they often experienced more review delays because of their limited capacity to provide project oversight.

Respondents identified the following as the highest-priority training topics:

- Compliance with WSDOT review standards.
- Navigating federal funding requirements.
- Implementing successful funding strategies.

6. WSDOT should collect project-level data across its regions.

As noted in the *Study Methodology* section, one major challenge in this study was the lack of performance data related to local project delivery. Project-level data across the WSDOT regions is inconsistent or unavailable, particularly regarding review staff workloads, response times to project owner inquiries, the duration of review or permit issuance, bid costs versus actual costs, and the frequency with which resubmittals are required. Improving the collection and accessibility of performance data will help pinpoint where future improvements are needed and to understand if solutions are working. The online permit review and tracking system suggested in part *B* of Recommendation 2. *Improve timeliness of WSDOT review* would provide data about the timeliness of permit review and the number of resubmittals,

This would likely require new funding for WSDOT.

Next Steps

In the 2025 Legislative session, the Legislature adopted [ESHB 1902](#), which requires the Washington State Department of Transportation, in consultation with the Department of Ecology, to convene a work group of state, local, and tribal representatives to develop recommendations to streamline the permitting of transportation projects. The work group will develop recommendations to reduce project costs and the time required from project conception to project completion. These recommendations must ensure that all appropriate environmental and regulatory protections are maintained. This work group should build on the findings and recommendations of this report related to improvements in the environmental review process.

Appendices

Appendix A: Study Proviso

(10) (a) \$375,000 of the motor vehicle account-state appropriation is for the joint transportation committee to contract with the municipal research and services center to convene a project delivery streamlining work group to review streamlining options and recommend practices that support expedited project delivery.

(b) The work group must consist of, but is not limited to, the following members:

- (i) One representative from a city with a population of more than 5,000 and fewer than 50,000;
- (ii) One representative from a city with a population of more than 50,000;
- (iii) One representative from a county with a population of more than 100, 000 and fewer than 400, 000;
- (iv) One representative from a county with a population of more than 400, 000;
- (v) At least one representative of a transit agency serving a rural county;
- (vi) At least one representative of a transit agency serving an urban county;
- (vii) At least one representative of a regional transit authority;
- (viii) At least one representative of a public port;
- (ix) A representative from the county road administration board;
- (x) A representative of the transportation improvement board;
- (xi) A representative of the freight mobility strategic investment board;
- (xii) At least one representative from the department of transportation's local programs division with experience in federal funding oversight; and
- (xiii) At least two representatives from the department of transportation with expertise in procurement and the multiagency permit program.

(c) Of the members described in (b) of this subsection, at least one of the city representatives and one of the county representatives must have public works contracting experience, and at least one of the city representatives and one of the county representatives must have public works project management experience.

(d) The work group must review options for project streamlining to expedite project delivery that include, but are not limited to: Preapplication communication; partnership agreements; contracting processes; fund sources; mitigation; land use; rights-of-way; permitting; and shared technology; and must identify opportunities for pilot projects to test some of these recommendations.

(e) The work group must submit a preliminary report to the office of the governor and the transportation committees of the legislature by December 15, 2024. The work group must submit a final report to the office of the governor and the transportation committees of the legislature by June 30, 2025.

Appendix B: Glossary of Permitting Terms

This appendix provides a glossary of permitting terms referred to throughout this report and in *Exhibit 2*.

Aquatic Land Use Authorization. Projects taking place on or over state-owned aquatic lands require an authorization by the Washington State Department of Natural Resources (DNR). The authorization is in the form of a contract that outlines the terms and conditions of the use and conveys certain property rights to the user in exchange for rent.

Archeological Site Alteration and Excavation Permit. A permit issued by the Washington State Department of Archaeology and Historic Preservation for disturbance of any site with objects that contain archeological objects. Disturbance includes tree removal, fill, use of heavy equipment and construction.

Critical Areas Regulations. Local government regulations that protect wetlands, critical aquifer recharge areas, frequently flooded areas, geologically hazardous areas, and fish and wildlife conservation areas. The regulations must include best available science and give special consideration to anadromous fish.

Clean Water Act (CWA). Federal act for the protection of the nation's waters. Regulates the discharge of dredged or fill material into waters of the United States, including wetlands.

Section 401. Water Quality Certification under Section 401 of the CWA certifies that activities authorized by certain federal permits meet state water quality standards. The Washington State Department of Ecology (Ecology) administers the certification. Ecology establishes the National Pollution Discharge Elimination System (NPDES) permit requirements for each local government. The local government reviews each development for compliance with their NPDES permit conditions and the state stormwater manual, often in coordination with Ecology.

Section 404. Permit issued by the US Army Corps of Engineers under Section 404 of the CWA authorizing ground-disturbing activities in waters of the United States. These activities include, but are not limited to, placement of fill material, grading, mechanized land clearing, and redeposit of excavated/dredged material.

Coastal Zone Management (CZM) Act Program Consistency Certification. The Washington State Department of Ecology (Ecology) administers the federal CZM Act. Any project that requires a U.S. Army Corps of Engineers' CWA Section 404 or Rivers and Harbors Act Section 10 permit triggers a requirement for consistency with the Washington Coastal Zone Management Program (CZMP). A federal agency cannot issue an approval unless Ecology agrees that the project is consistent with Washington's CZMP.

Endangered Species Act (ESA). Federal act prohibiting actions likely to jeopardize the continued existence of listed species or adversely modify critical habitats. Section 7 of the ESA requires federal agencies to consult with the U.S. Fish and Wildlife Service (FWS) and NMFS as appropriate to ensure that federally funded transportation projects are not likely to jeopardize the continued existence of listed species. Consultation is the process that federal agencies must use to ensure they are not harming listed species or their habitat. A Biological Assessment (BA) assesses the effects of projects on threatened and endangered (listed) species and critical habitat. When a federal agency determines that a project is likely to adversely impact an endangered species, a formal consultation process begins. Formal consultations involve the development of a Biological Opinion (BO) that includes reasonable and

prudent measures needed to minimize harmful impacts and may require monitoring and reporting to ensure compliance with required mitigation measures.

Federal Highway Administration (FHWA) Authorizations.

23 CFR Part 771. This regulation prescribes the policies and procedures of the FHWA for implementing the National Environmental Policy Act (NEPA).

23 CFR Part 772. This regulation establishes the procedures for abatement of highway traffic noise and construction noise.

Section 4(f). Stipulates that FHWA and other DOT agencies cannot approve the use of land from publicly owned parks, recreational areas, wildlife and waterfowl refuges, or public and private historical sites unless the following conditions apply:

There is no feasible and prudent avoidance alternative to the use of land; and the action includes all possible planning to minimize harm to the property resulting from such use;
OR

The Administration determines that the use of the property will have a de minimis impact.

Floodplain Development Permit. Any development within the 100-year floodplain requires a floodplain development permit. This permit is issued by the local government upon a finding that the development meets local floodplain development standards. The local floodplain regulations are approved by the Washington State Department of Ecology in accordance with Federal Emergency Management Administration (FEMA) standards.

Hydraulic Project Approval (HPA). A permit issued by the Washington Department of Fish and Wildlife (WDFW) for any form of work that uses, diverts, obstructs or changes the natural flow or bed of any fresh water or saltwater of the state, including any work waterward, under and over the ordinary high water line, and projects that are located landward of the ordinary high water line that directly impact fish life and habitat, bridge maintenance, falling trees into lakes or streams, and dike construction. SEPA compliance must be completed prior to review of the HPA permit application.

Individual Permit (IP). Permit for activities in waters of the United States. IPs are for projects with potentially significant impacts that require a more thorough environmental review.

Joint Aquatic Resources Application (JARPA). A form that can be used to apply for U.S. Army Corps of Engineers Section 10 and Section 404 permits, Section 401 water quality certification, Hydraulic Project Approval, Aquatic Land Use Approval, and Shoreline permits.

National Historic Preservation Act Section 106. Construction projects that involve dredging and filling of Waters of the US must apply for and obtain a Clean Water Act (CWA) Section 404 permit, which triggers requirements of Section 106 of the National Historic Preservation Act (NHPA). For projects that may result in impacts to cultural resources listed on, or eligible for listing on the [National Register of Historic Places](#) (NRHP), the US Army Corps of Engineers must consult with the State Historic Preservation Officer (SHPO), or Tribal Historic Preservation Officer (THPO), as appropriate. A State archeology permit may also be required (see “Archeological Site Alteration and Excavation Permit” above).

National Environmental Policy Act (NEPA). Establishes the requirements and processes related to transportation projects that receive federal funding. Before proceeding with final design, right-of-way acquisition, and construction, project owners must first disclose the environmental impacts of the project and evaluate alternatives. NEPA is the umbrella for other federal environmental regulations such as the CWA and the ESA. The NEPA process begins with determining the significance of the project's impact. Categorical exclusions are prepared for projects that have no significant impact. Environmental Assessments are prepared for projects when there is uncertainty as to whether the project will have significant impact. Environmental Impact Statements (EIS) are required for projects expected to significantly impact the environment. Required mitigation measures are included in the project's permit conditions.

Nationwide Permit (NWP). Permit for activities in waters of the US. NWPs are for projects with minimal environmental impacts.

Rivers and Harbors Act of 1899.

Section 9. Requires that the U.S. Coast Guard approve the location and clearances of any bridges across navigable waters of the United States. The U.S. Coast Guard determines if a waterway is navigable and if the project will require a bridge permit. The permit is required for new construction, reconstruction, or modification of a bridge or causeway over waters of the United States.

Section 10. The U.S. Army Corps of Engineers (USACE) regulates activities in, over, or under water that could obstruct or alter navigable waters of the United States. USACE authorizes activities by issuing individual and general permits. Individual permits include Standard Individual Permits and Letters of Permission, and general permits include Nationwide Permits and Regional General Permits.

Section 408 (Previously Section 14). Allows another party, such as a local government, to alter a USACE Civil Works project. Reasons for alterations could include improvements to the projects, relocation of part of the project, or installing utilities or other non-project features.

Examples of projects that need USACE Section 408 permission include:

- Building a bridge across a navigable waterway maintained and surveyed by USACE.
- Building a transportation improvement within the footprint of the USACE easement for a levee.

The Section 408 program verifies that changes to authorized USACE Civil Works projects will not be injurious to the public interest and will not impair the usefulness of the project.

State Environmental Policy Act (SEPA). The State of Washington environmental regulation that is analogous NEPA at the federal level. SEPA requires agencies to identify and evaluate potential environmental effects before taking action or granting permits. Environmental Impact Statements (EIS) are required for projects expected to significantly impact the environment. Required mitigation measures are included in the project's permit conditions.

Washington State Shoreline Master Program (SMP), Shoreline Management Act (SMA).

Shoreline Conditional Use Permit (CUP). Regulates development and uses of shoreline water bodies and associated upland areas. Each local government has development regulations in its SMP that define "conditional uses," i.e., uses that are not allowed outright but may be permitted when specific conditions are met. The Washington State Department of Ecology issues the Shoreline CUP based on the criteria in the local SMP and defined state criteria.

Shoreline Substantial Development Permit (SDP). Each local government's SMP regulates developments and uses defined by state law as "substantial development." "Development" is defined as: "a use consisting of the construction or exterior alteration of structures; dredging; drilling; dumping; filling; removal of any sand, gravel, or minerals; bulkheading; driving of piling; placing of obstructions; or any project of a permanent or temporary nature which interferes with the normal public use of the surface of the waters overlying lands subject to the act at any stage of water level." Substantial developments need an approved SDP before they may be built or undertaken.

Shoreline Exemption. An exemption from the Shoreline SDP process for developments and uses within the shoreline jurisdiction that are expected to have minimal effect on the natural environment. SDP exemptions do NOT exempt an applicant from having to comply with local shoreline master program regulations. When a project is exempt from the requirement for an SDP, it may still require a variance and/or conditional use permit.

Shoreline Variance Permit. A permit that regulates developments in and uses of shoreline water bodies and associated upland areas. Each local government has development regulations in its SMP. Each SMP contains numerical development standards (e.g., height limit, setback distance, dock length). A person may request a variance from those numerical standards for their proposed development. The Washington State Department of Ecology makes the final decision on the variance after the local government issues the initial decision.

Appendix C: Work Group Membership

Study Proviso (10)(b): "The work group must consist of, but is not limited to, the following members:"	Agency or organization	Representative(s)
(i) One representative from a city with a population of more than 5,000 and fewer than 50,000	City of West Richland	Roscoe Slade
(ii) One representative from a city with a population of more than 50,000	City of Spokane	Katherine Miller (through 4/4/25)
(iii) One representative from a county with a population of more than 100, 000 and fewer than 400,000	Whatcom County	Ryan Morrison
(iv) One representative from a county with a population of more than 400,000	Pierce County	Brian Johnston
(v) At least one representative of a transit agency serving a rural county	Island Transit	Brad Windler
(vi) At least one representative of a transit agency serving an urban county	Intercity Transit	Peter Stackpole
(vii) At least one representative of a regional transit authority	Sound Transit	Jonathan Nichols
(viii) At least one representative of a public port	Washington Public Ports Association	Chris Herman
(ix) A representative from the county road administration board	County Road Administration Board	Steve Johnson
(x) A representative of the transportation improvement board	Transportation Improvement Board	Ashley Probart
(xi) A representative of the freight mobility strategic investment board	Freight Mobility Strategic Investment Board	Phil Wallace (through 12/1/2024) Brandy DeLange (as of 12/1/2024)
(xii) At least one representative from the department of transportation's local programs division with experience in federal funding oversight	WSDOT	Jay Drye Kyle McKeon
(xiii) At least two representatives from the department of transportation with expertise in procurement and the multiagency permit program	WSDOT	Terry Drochak Melanie Vance

Appendix D: Stakeholder Interviewees

The project team interviewed all work group members, listed in [Appendix C: Work Group Membership](#). The project team also spoke to the following individuals about their perspectives on challenges and potential solutions.

Agency or Organization	Individual	Title
AWC	Brandy DeLange	Government Relations Advocate (former)
City of Shoreline	Cory Nau	Project Manager
City of Olympia	Nicole Floyd	Principal Planner
City of Olympia	Jim Rioux	Project Manager
Governor's Office	Beau Perschbacher	Senior Policy Advisor, Economic Development and General Government
The Public Works Board	Maria Jawad	Executive Director
MRSC	Aleanna Kondelis	Senior Consultant
National League of Cities	Brittney Kohler	Legislative Director, Transportation and Infrastructure Services
Senate Democratic Caucus	Hannah McCarty	Senior Policy Counsel
Senate Transportation Committee	Megan Tudor	Committee Assistant
Washington State Association of County Engineers	Axel Swanson	Managing Director
Washington State Department of Commerce (on behalf of SYNC)	Chris McChord	Managing Director, Boards Unit
Washington State Department of Commerce	Dave Anderson	Managing Director
WSDOT	Ahmer Nizam	Director of Environmental Services
WSDOT Office of Equity and Civil Rights	Earl Key	Director
	Jackie Bayne	Assistant Director
	Nina Jones	Business Diversity and Inclusion Manager

The project team also interviewed the following people about federal fund exchange programs in their states.

Agency or Organization	Individual	Title
Kansas Department of Transportation	Dawn M. Hueske	Bureau Chief, Local Projects
	Kimberly Marotta	Federal Fund Exchange, Programming
Iowa Department of Transportation	Nicole Moore	Director, Local Systems Bureau

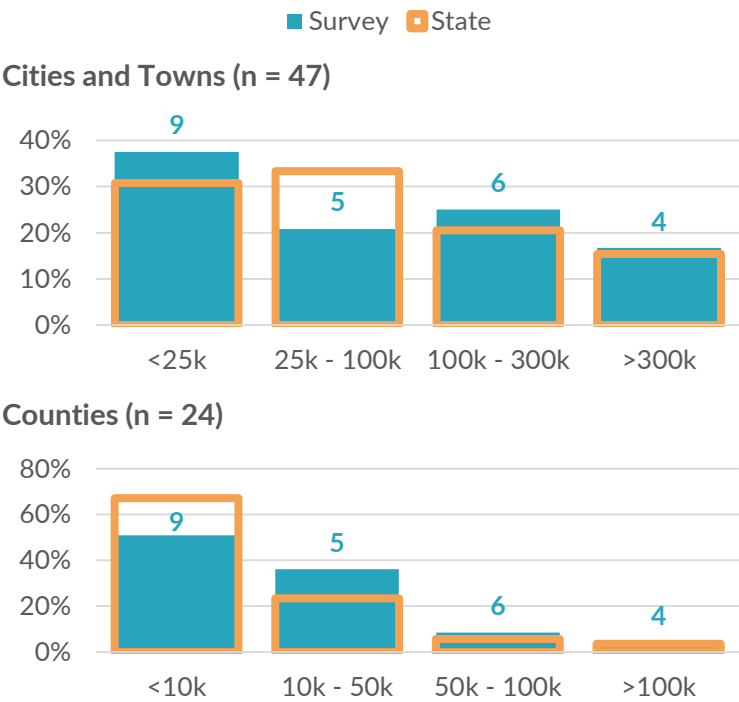
Appendix E: Full Survey Findings

Overview

The project team implemented an online survey of local jurisdictions for six weeks in early 2025. AWC, WSAC, and MRSC promoted the survey by email to gather complete responses from 47 cities/towns and 24 counties. See the sidebar for a list of respondents.

Exhibit 6 shows the distribution of responses by jurisdiction population, which reflects the statewide distribution: 87% of survey responses were from cities with populations less than 50,000 (compared to 90% of cities statewide) and 59% of county responses were from counties with populations less than 100,000 (compared to 64% of counties statewide).

Exhibit 6. Survey Respondents by Population



Sources: BERK, 2025; MRSC, 2025; Performance Plane, 2025.

Survey Respondents (complete responses only)

Cities and Towns

Aberdeen	Morton
Bellingham	Mount Vernon
Bremerton	Newcastle
Brewster	North Bend
Camas	Oak Harbor
Colfax	Olympia
College Place	Pullman
Conconully	Richland
Duvall	Sequim
Elma	Snoqualmie
Ephrata	Stanwood
Everett	Sultan
Everson	Sumner
Fairfield	Tieton
Federal Way	Tonasket
Ferndale	Twisp
Fife	Union Gap
Grandview	Walla Walla
Kalama	Wenatchee
Kettle Falls	White Salmon
La Center	Wilkeson
Marysville	Winthrop
Mill Creek	Anonymous (1)
Montesano	

Counties

Adams	Lincoln
Benton	Mason
Chelan	Pacific
Clark	Pend Oreille
Columbia	Pierce
Ferry	Skagit
Garfield	Skagit
Grays Harbor	Spokane
Island	Thurston
King	Wahkiakum
Kitsap	Whatcom
Lewis	Anonymous (1)

Summary of Findings

Barriers to Efficient Delivery of Transportation Projects

Exhibit 7 shows the barriers to efficient delivery of transportation projects identified by survey respondents and disaggregates responses by jurisdiction type. Each respondent could identify up to three barriers. Across all respondents, the most commonly identified barriers to project delivery were:

- 1. **Requirements associated with projects that receive federal funding**, including additional administrative reporting, DBE requirements, and environmental review.
- 2. **State review processes and regulations**, including coordination with review agencies.
- 3. **Achieving full funding**, including deadlines for securing full funding imposed by funders.

These top three barriers were the same for both jurisdiction type groups.

Exhibit 7. Significant Barriers to Efficient Delivery of Transportation Projects

Barrier (Respondents Could Select Up To 3)	Total (n=75)	Cities/Towns (n=49)	Counties (n=26)
Requirements associated with projects that receive federal funding	85%	84%	88%
State review processes and regulations	72%	73%	69%
Achieving full funding	45%	45%	46%
Staff vacancies in engineering and/or project management positions	25%	22%	31%
Right-of-way (ROW) acquisition	19%	16%	23%
State bidding and procurement processes and requirements	17%	27%	0%
Lack of institutional capacity to deliver transportation projects	12%	12%	12%
State apprenticeship requirements	5%	2%	12%

Notes: Includes all complete responses. One city and two counties had multiple staff who filled out the survey.
Sources: BERK, 2025; MRSC, 2025; Performance Plane, 2025.

An open-ended question asked survey respondents to identify other barriers or add additional context. A primary theme was that limited local funding and high project costs, especially in small jurisdictions, were significant barriers. Lengthy and complex environmental and regulatory reviews (e.g., NEPA, ESA) also caused major delays, often exacerbated by inconsistent and inflexible standards. Respondents also reported slow and unclear communication from WSDOT and other agencies, compounded by lack of interagency coordination and frequent updates to forms and guidelines that restarted review processes. Staffing and capacity limitations was another theme mentioned that delayed progress and increased project costs.

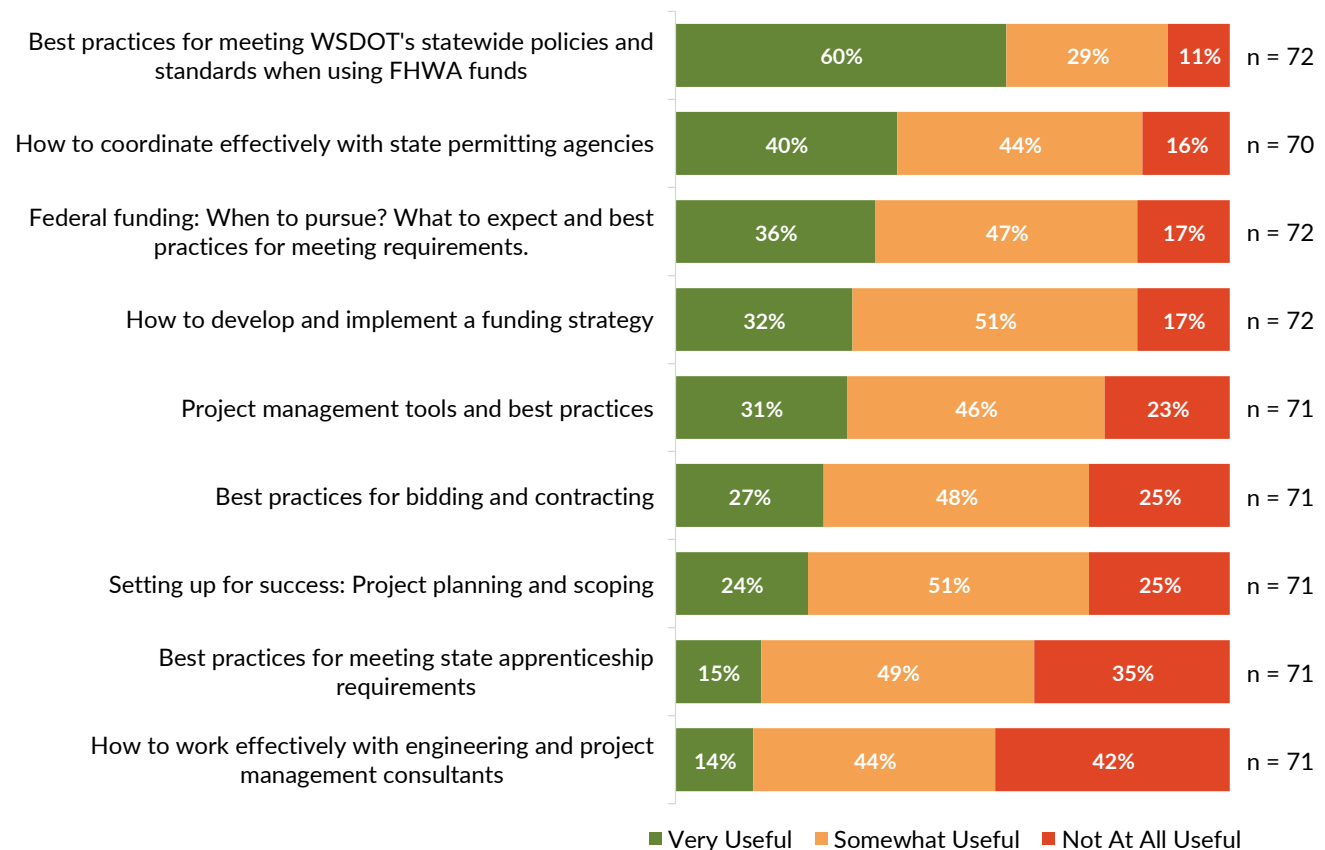
A separate open-ended question asked respondents to describe a recent example of transportation delays caused by the barriers listed above. Response themes included lengthy reviews, interagency coordination challenges, staffing limitations, and complex funding requirements.

Training and Tools

Topics

81% of city/town respondents and 92% of county respondents indicated that additional training and tools would be helpful to facilitate timely delivery of transportation projects. [Exhibit 8](#) shows topics for additional training and tools ranked by usefulness. Every topic was ranked by more than half of all survey respondents as “somewhat useful” or “very useful.” The top topic identified by all survey respondents as “very useful” was best practices for meeting WSDOT’s statewide policies and standards when using federal funds.

Exhibit 8. Topics for Additional Training and Tools by Usefulness (All Survey Respondents)



Sources: BERK, 2025; MRSC, 2025; Performance Plane, 2025.

In an open-ended question, respondents explained why they thought additional training, tools, and best practices focused on successful project delivery would be helpful. Several comments reflected the view that additional training would have limited effectiveness without addressing the fundamental issues of funding constraints, lengthy reviews, bureaucratic hurdles with state and federal agencies, and staff capacity. Comments that expressed support for additional training acknowledged the value in sharing lessons and practices among local agencies.

Training Delivery

The survey asked respondents to identify up to three agencies or organizations they think would be most effective in delivering training and tools on the priority topic. Overall, the comments expressed a strong preference for training and tools to come from organizations that were familiar with the specific challenges faced by local agencies, that understood the regulatory landscape, and that had a reputation for providing clear, relevant, and effective guidance. WSDOT was the most frequently mentioned organization and cited as having direct knowledge of process requirements. However, comments also mentioned that WSDOT-led trainings could benefit from clearer explanations of process requirements to improve collaboration between WSDOT and local agencies. Other organizations frequently mentioned in the comments included MRSC, AWC, WSACE, and CRAB. These organizations were recognized as trusted and helpful resources for local agencies.

- **Among city and town respondents**, the top three most effective agencies or organizations to deliver additional training and tools were identified as MRSC, AWC, and WSDOT. Others named by city and town respondents included local agencies with successes and lessons learned, FHWA, and the Contract Administration Education Committee of the American Public Works Association.
- **Among county respondents**, the top three most effective agencies or organizations were identified as WSDOT, WSAC, and MRSC. Others named by county respondents included CRAB, FHWA, and WSDOT's Local Technical Assistance Program.

Other Feedback

The survey also included a fully open-ended comment box for respondents to share any other relevant feedback. These comments reinforced the challenges to project delivery identified in prior survey questions, including regulatory burden from complex requirements and permitting delays, lack of collaborative coordination among agencies, and shortage of qualified staff. The comments also expressed a desire for greater clarity, consistency, and a more collaborative approach from state and federal agencies to support local projects.

Open-Ended Comments

Verbatim, open-ended survey comments are included below. Each bullet is a separate respondent. Identifying information has been removed from the comments and these changes are indicated in *italics*.

Some comments discuss challenges with apprenticeship requirements. See [Appendix G: Apprentices Utilization Plan](#) for details about apprenticeship requirements.

Most Significant Barriers

Survey question: “In your jurisdiction, what are the most significant barriers to efficient delivery of transportation projects? Other barriers (please specify) or comments on any of the items above.”

Comments (21)

- Overall the issues are funding and revenues that do not support projects of this scope. We have less than 500 residents, these households pay over \$157/ month for water and sewer. We have a very small business district that has 4 operational businesses, mostly catering to tourism. We rely heavily on the legislature to fund capital projects. Our revenues annually, without grants, is about a million dollars. We simply don't have the matching funds necessary to perform meaningful infrastructure improvements of any kind, without other help.
- 1) Long delays of up to 3 years in NEPA, Endangered Species Act (ESA), and Army Corps of Engineer review and permit processes. 2) Long delays in WSDOT reviews of local agencies final PS&E packages, construction funding obligations, right-of-way (ROW) plans, ROW offer packages, and ROW certifications. 3) Inadequate staff support from state and federal agencies. There are long delays while we wait for staff from the U.S. Fish and Wildlife Service and the National Oceanic and Atmospheric Administration to be assigned to our projects, and then additional delay as we wait for them to finish their review. When we seek clarifications regarding WSDOT Local Agency Guideline requirements, WSDOT responses are not timely and terse/uninformative. WSDOT communication protocols create bottlenecks. 4) State policy and interpretation of regulations is inconsistent, stringent, and inflexible. Policy and interpretations change over the course of design, leading to increased costs and schedule delay. This particularly impacts projects with narrow construction windows due to habitat requirements, projects with ROW impacts, and projects that have been completely or significantly designed.
- Absolutely "bonkers" consultant fees to design the projects we need.
- Right of way is a major issue. When the funding agencies expect you to pay \$10,000 for an appraisal on a 200 square foot piece of raw land worth less than \$100 it is difficult to justify to the BOCC.
- The ever-changing state and federal regulations, especially environmental. It is hard to hit a moving target.
- WSDOT Local Programs turnaround times.
- The environmental review and ROW processes are time consuming but is part of the schedule we have come to expect and plan ahead for. Many processes involving WSDOT, specifically for fed aid projects, have become quite onerous. The requirement for everything to go through HQ has added a significant hurdle to project delivery. Simple things like Division 1 GSP reviews, bids review for DBE goals, and aspects of using consultants are adding weeks to months to project delivery timeframes at critical, time sensitive points in the project delivery. Oct, Nov, Dec is an especially bad time to submit to Local Programs since they're pushing a new Standard Spec, Standard Plan and GSP update, but these months are also the most crucial for local agencies to deliver projects early and get the best bids.

- The complex web of state and federal requirements creates such an intense burden on our projects. We want to do things "right" but in some cases have spent years in back-and-forth efforts with our funding under constant threat. It would be nice for agencies to show up with genuine support and a "let's get this done" attitude. It would be nice if agencies worked together more effectively without us having to act as go-betweens.
- Senior managers at the state and local level with no or very little technical or engineering education and skills. The cultural shift, away from engineering, much like Boeing is facing in the aerospace sector.
- Third party utility relocation.
- My biggest issue working with WSDOT Local Programs is the perpetual update of forms, specifications, and checklists. It would be much better for local agencies if WSDOT made one or two updates per year instead of year-round like it is now. It's hard to see any return on the time and effort invested in their current processes.
- Lack of available engineers is a major concern. It has hampered our internal ability to deliver projects, and the consultants we hire have to charge higher hourly rates to pay their people at current market rates. We have lost staff to the consulting rates due to the higher wages.
- Timelines for WSDOT review of funding obligation packages, PS&E prior to advertising, and DBE documentation continue to increase. Required checklists for submittals to WSDOT, while helpful, continue to be updated and with the lengthy review timelines sometimes the checklist is updated while a package is with WSDOT for review/approval. If this happens, the package is sent back for re-submittal with the updated form and the review timeline starts over.
- Communication is not clear, consistent, or concise. After submittals nothing will be communicated, even after multiple attempts, for weeks or even months. Then when communication resumes a new form is deployed or requirements change on a previously approved submittal. Submittals "get lost" and need to be re-sent only to have comments come back on previously submitted, already corrected previous submittals.
- 1. The obligation of funds for any phase (PE, ROW, Const) is a lot of paperwork that seems unnecessary. You apply for funding, get awarded the funding, and then you submit a whole bunch of information that was already submitted during the application process. Other outside funds, such as TIB, simply have you sign the agreement and project funding form where you agree to pay the match funds and that's much easier. 2. Stormwater review process on projects with increased net PGIS and/or new roads is painful. We are following the KCSWDM which is more stringent than the DOE manual and they don't recognize the most up to date WQ treatment methods. Constant moving target and if review goes into NMFS you are in for a 18-36 month review cycle. Without stormwater buyoff you can't get NEPA signed, which means you can't start ROW acquisition process and so forth into construction approval. PSRC pushing you to spend funds and threatening to take away if you don't, and the environmental side stopping everything in its tracks so you can't move forward.
- Federal "Buy American", BABA, or AIS requirements have had an extremely negative impact on our project schedules and completion. Projects are being delayed for many months.
- I would like to say that WSDOT, DOE and WDFW in our Region are very professional and responsive. Also, DAHP has been very helpful and responsive. The DNR on the other hand is a nightmare anytime we are trying to acquire R/W and their impact fees/assessments are ridiculous. As far as Completion of Public Works Project releases from DOR, L&I and Employment Securities, they are very "unresponsive". Takes 100 days plus to get project releases every time and we end up having to hold up contract retainage beyond what state

law says. They have 60 days by statute to complete the releases and they for what every reason cannot complete the task.

- Stand alone Fish passage projects get streamlined through environmental process. If it is included as part of a transportation project the use of that process is not allowed. State and local agencies waiting for one another before issuing permits. Ex. WDFW will not issue HPA until locals issue their permits. ESA Section 7 approval time and requiring formal consultation on any amount of stormwater to a water body. Although better, WSDOT review and approval timelines. Should have more staff or less oversight with agencies. Added regulations through legislation.
- Everyone listed above is an impediment to deliver projects on time. All of these requirements have become too complex for smaller agencies to keep up with. Our staffing levels do not allow us to keep up with all documentation and inspection of projects without struggling on one or the other.
- Staff vacancies combined with staff shortages. Workload has steadily increased over the years, yet the number of FTEs has remained the same.
- Waiting for the current STIP to be approved to show the project was on the State STIP. This has caused 2-to-3-month delay on the front end of projects to get the PE funding authorized.

Examples of Transportation Delays

Survey question: “Do you have a recent example of transportation project delay caused by one of the factors listed in the previous question? If yes, please describe the cause of delay briefly:”

Comments (62)

- Phasing roadway projects to build sections as funding allows. Permitting improvements through WSDOT is somewhat timely and costly. Reviews through WSDOT can be expensive to us as a small local jurisdiction.
- The perfect passage project was delayed and funding returned to the federal government because it would of delayed our project even more and costs projected were more than the federal funding
- NEPA approval when dealing with USACE and NMFS has been the greatest delay in our projects requiring such approvals.
- CIP projects are numerous, but the staffing capacity is lacking to push projects out the door.
- Currently the [project] needs another \$18M to complete. INFRA awarded \$6.6M of the original \$15.57M request.
- We have been waiting for approval for obligation from local programs for 13 months. We submitted our documentation and received comment, made the changes and resubmitted only to have a new reviewer request additional changes, some of which were changed as a direct request from the first review. The finish line keeps changing.
- The delay was caused because we had a number of funding sources that we needed to get aligned and contracted in order to start work. We have 1.5 admin staff that manage everything that comes through Town Hall. From the Cemetery lot and marker sales to arranging service needs with vendors, to grant writing and reporting, utility billing, payroll, contracting, council meetings and much more. Everything takes so much effort and time to get to completion.
- We have been trying to put a sidewalk in, and it started in 2022 and all the hoops that we had to jump through and red tape caused it to have to have an extension on the project, it is finally starting construction in

April, this is 2 years after the projected date. The project is only about 1100' long and should have never been this complicated. Most of the hang up was WSDOT.

- Slow processing times from State for PE package review/approval and Award concurrence.
- 1) ROW acquisition: A project to replace the structurally deficient [bridge] was delayed a year because a non-responsive property owner delayed the right-of-way acquisition process. This delay postpones the project's anticipated safety, active transportation mobility, hydraulic, environmental, and maintenance cost reduction benefits. 2) NEPA/ESA requirements: A project to construct a roundabout to reduce the risk of severe collisions was delayed several years by environmental requirements and long review times - as a result, the County was forced to return its construction grant and was unable to secure construction funding from the grant source during the subsequent funding cycle. 3) Inadequate staff support: Due to poor communication between WSDOT and the County, the County had to remove several locations from a project to improve traffic safety by installing [redacted] at high-need locations. 4) Inconsistent interpretation of regulations: Two culvert projects had to be redesigned after previously accepted designs were subsequently rejected by the state permitting agency. The County was held to designs that arguably exceeded the minimum requirements.
- Challenges with coordinating project reviews, comment resolution and understanding between local utilities, County and WSDOT Local Programs.
- [Redacted] is a roughly 5-mile major collector connecting the communities of [redacted], which is frequently flooded by the [redacted]. Over time, use of this road has expanded beyond its traditional farming purposes and today, the road serves as a commuter route and occasionally as a principal bypass when I-5 is closed due to an emergency. To meet these new uses of this road, [the] County seeks to widen a 0.6-mile portion of this roadway to include 12-foot travel lanes and 8-foot-wide paved shoulders.
- [The] County began preliminary design work in 2018, following delays caused by the COVID-19 pandemic, completed its design in 2022. The County intended for RAP funds to fully fund the construction phase, while the County used other funding sources, including County Funds, for the design and right-of-way phases of this project. However, due to unprecedented materials and labor price escalation post-COVID, the County is once again, seeking additional construction funds, as of June 2024. In the meantime, the environmental permit landscape continues to evolve, the County must now reapply permits that had previously been granted. The years of alternating funding challenges and changes in permitting requirements continue to impact the County's ability to construct projects in a timely manner.
- Staff is spread too thin to keep projects moving on schedule, leading to delays that among other things impact fed funding.
- Our federally Funded project on the [bridge] has been delayed for a year and a half because of DBE requirements on the design. Funding is an issue - We had a FEMA project that went from a 24-inch culvert that should have been 30 inch to a 12 foot squashed culvert that you can drive a pickup through because of fish and wildlife requirements. FEMA balked and we had to borrow \$900,000 to Granite to pay for the construction.
- It is increasingly difficult to find contractors who are able to comply with the apprenticeship requirements. We support apprenticeships but many contractors in our area are small and don't have the resources to stand up a program of their own
- Staff vacancies is not moving design forward
- I requested a change to my Disadvantage Business Enterprise goal for a Federally Funded Project. I worked through the available DBEs, NAICS Codes assigned to our Bid Items, and even called DBEs in our area. I made

a case to the DBE office, and they changed my Goal from 11% to 18%! This process took a month, therefore, I expected no response, so we were ready to go to AD with the 11% goal. When we received notice that our goal changed, we had to push back our Advertisement Date to change our Contract Documents. So, even though I had given many reasons why an 11% goal would be a hardship for our Contractors, the DBE office gave us a higher goal. The day that we opened bids, the bids came back at over the amount of funding we had available due to the DBE goal not reducing, but engorging at the last minute. After submitting these bids to the DBE office for Concurrence to Award, they came back and told us that they made a mistake and now the goal is 0%. So, we had to reject all bids and completely rebid the project. This process of changing Contract Documents and Specifications takes time and money. I had to change my bid package twice due to these requirements and the regulatory offices not being able to handle their own rulings and work loads.

- One project was delayed a year because of permitting and the project requiring an in-water work window. Another has been delayed a year because of a superfund site that has extended into our project limits and we have had zero support from agencies to help us identify what needs to be done for mitigation.
- The state local programs and headquarters are killing us on all federal projects. no response for weeks and then when they get back with our staff, we find out that LP have changed the forms again. STP, HSIP AND BRAC PROJECTS. On our yearly STP projects we design a year early, waive the PE reimbursement, no right of way and still barely obligate in the programed year.
- It's taking more than 3 or 4 months to obligate funding through Local Programs.
- ROW acquisition at an intersection. Dealing with a partial reconveyance on a property owned by a large national corporation.
- A project PS&E was submitted for review to Local Programs near the end of October 2024 where CN Local Agency Agreement supplement had previously been completed and CN funds obligated. No significant comments or modifications to the special provisions were required, but approval to advertise was not received until mid-December. The project was a simple paving project less than 1/2 mile, under \$1M, 20 working days. Nothing robust or exciting. Not getting approval for ad until mid-December pushed a 3-week ad right into Christmas and New years, so we opened bids in mid-January. Then due to DBE processes in bid review, concurrence to award pushed award date until Feb. 11th. Execution by end of February. That's approximately 4-months from submitting PS&E to executing a contract.
- We have a pedestrian underpass project that just keeps facing hurdles from WSDOT, WDFW and DNR. There is agreement that it's a good project, but no real effort to help us get it across the finish line. Instead the goalposts keep moving and we have to redo a ton of paperwork - over and over and over. It's a complicated project, but a high local priority that is imminently doable if the agencies were more invested in helping us succeed.
- Very long and multi-layered permitting processes by too many agencies with competing opinions, and in the end very little positive change to the project or the environment.
- Franchise utilities impact project construction by not responding timely to relocation requests. This has impacted many of our public projects.
- The ability to use federal funds has become much more onerous in the past few years. It feels like requirements are becoming more complex and numerous, and that the complexity is not adding any public benefit to the use of funds.
- A "simple" sidewalk project held up by need to coordinate approximately 18 temporary access/construction agreements and two permanent ROW acquisitions of small triangles only because these triangles almost

always have to be acquired at each intersection corner in order to complete compliant ADA ramps. A severe lack of staff time is available to communicate and coordinate with all these different properties, and the same time-based requirements make use of consultants for these tasks cost prohibitive.

- Delay in permitting (NEPA - NMFS), with no indication as to how long or when - had to request extension from PSRC, then needed a second extension, which was going to be declined. Luckily we received NEPA just days before we would have lost the grant. We try hard to meet Programmatic if at all possible, however, that may come as a detriment to other needs of the project. We are currently in a waiting period on another project. No projection as to when we may see approval. Outreach to the public is a challenge when timing is 'up in the air' and conversations on property rights will have to linger.
- [Redacted] Project: FHWA Approval of National Fishery and environmental approvals. Also the Right of Way Approval Process. We have the ROW and have submitted all documentation for review, just waiting on the approval from WSDOT, due to federal funding. ALSO the Shared Use Path Project: The Right Of Way Approval Process, NOT the acquisition, but waiting on WSDOT to approve.
- 10 reviews needed to get plans approved by WSDOT. Later review comments conflicting with earlier comments. WSDOT HQ comments conflicting with subject matter expert comments. We're using a national engineering firm with a long-time local presence; and the PM is a former WSDOT design engineer. Multiple reviews of specs also needed and having to make updates throughout because WSDOT keeps making form or spec changes. All of this costs us time and money.
- State agency responsiveness and accountability is often poor. The further removed staff are from actually delivering projects, the less they seem to worry about the impacts their decisions or lack of action have on projects. Working from home is perceived to be a contributing factor.
- [Redacted] - we submitted to the Army Corps for wetlands permitting over a year ago and were told there were 3 projects for review in advance of us. A year later, we are still being told the same 3 projects are in front of us with no ETA.
- Several years to get all environmental permitting.
- WSDOT SW Region Bridge department denied a permit to install 3 decorative pole lights under the exit 30 overpass that would have provided lighting for pedestrians and also for motorist as well. The city was funding 100% of the project. I am struggling to understand why the bridge department would deny a safety project that did not touch their structure.
- [Redacted] - NEPA, Army Corps JARPA Permit, and other requirements delayed park renovation for two years.
- The City currently has three separate funding PE obligation packages submitted to WSDOT (both fed funded and state funded projects) and haven't received funds on any of them several months after initially submitting the packages. This isn't entirely on WSDOT as the City needed to make minor revisions to each package after WSDOT review. The real issue is that it takes several weeks, or more, to get the review comments, then the City revises and re-submits, and the waiting period starts all over again. The City can't even start the design of these projects until the funds are obligated unless we're willing to pay for design services with local funds. Once the funds are obligated, the design is complete, we'll repeat the lengthy process to obligate construction funds and get approval to advertise and award the contract.
- A road construction project that could be complete in a relatively short amount of time but will not be constructed for over a year because of all the paperwork involved.
- Pedestrian facilities will be constructed on [redacted] in 2025...we received bike/ped state funding in 2018 and just now finally have a contractor selected and scheduled to begin work in April of this year. The delay

caused the need to secure additional funding through TIB. Most of the delay was due to conflicting surveys with WSDOT and approval reviews through WSDOT.

- It should be simple, but getting WSDOT approval of the traffic control plan for a stormwater main replacement (18" pipe) under a state highway in our jurisdiction has been incredibly slow. City has a declared emergency, and WSDOT people have orally agreed to help expedite - but it has taken many months for a project that the City has declared an emergency so that we can expedite repair for a failed pipe that may lead to a sinkhole under [redacted]. I suspect internal bureaucracy still has the paperwork going into a first in and first out queue, that must take someone to personally birddog it to make it move ahead of a slow process? This is inefficient and frustrating for a small jurisdiction like ours - we don't have massive staff resources to chase these items, and we are wasting our money with contractors with the delays.
- WSDOT acting as CA Agency for the City, knowing we needed a consultant CM (we were not aware of this), approved all our documentation after working on the project for a year without a consultant line. Now with less than a week out from ad they let us know that we need a consultant and need to go through the advertisement and selection process to get a consultant and take everything to council, which adds at least 3 months to 3 different projects. We have also completed 2 projects with the same funding with WSDOT supervision that they didn't require a consultant CM for. Also updating standards while we have documents sitting in the review queue and receiving comments back to update things that didn't exist when we sent our documents in is very [redacted]
- The time it took for agency to review construction documentation and provide response was over 4 months and the contractor was not on the project any longer, which made addressing comments difficult.
- We have a State\Federal Highway that serves as our only connector from one side of town to the other. This highway sees over 25,000 cars a day, the city has federal grant funding to do a roundabout on the highway and it has taken over two years, six iterations of plans to get through the just Channelization Plan approval process and our funding is currently in jeopardy because of this. The city's consultant would submit plans / documents and it would take over three to six months every time to get a response out of WSDOT. There needs to be a better process for local governments to streamline this process and work together on these approvals.
- Two projects, [redacted] have been in some level of processing or review since June of 2024 mired in "lost submittals" new forms, and new DBE requirements and CA agency enforcements that seemingly came out of nowhere with no conversation on why. The scopes and estimates for these projects are not complicated and there is no reason we should be 8 months into a review and comment process and not already have gone through project advertisement and project contract execution.
- Hyper technicalities in the bidding process for DBE requirements caused renowned construction contractors to have their bids thrown out by WSDOT/Office of Equal Opportunity. At the city's cost, the project was re-advertised for bids and, months later, the successful low bidder also had their bid thrown out for DBE technicalities until they appealed and won.
- FHWA funding obligation and bid award delays primarily related to OECR concurrence on Bid Award. OECR does not follow the specifics of WSDOT bidding rules in the standard specifications.
- A catch basin lid was inspected and approved at the time of manufacture, but not stamped by a WSDOT engineer. Ecology is getting more difficult every year. Biological assessments, PGIS
- Two recent projects have both been delayed by street light approval and delivery issues. Lights have been the last item installed on these projects. We have had to hold back pouring sidewalk panels waiting for bases to

be poured. One project has been in Liquidated Damages for months while the contractor compiles a significant claim.

- [Redacted] - PSRC funded through preliminary design. Challenges acquiring sufficient funds and tricky permitting issues around cultural resources, flood plain, and PSE
- We have a current situation where WSDOT is requiring us to hire a consultant to conduct the project management work as they do not have the capacity. We are not a CA agency. This will cost us both time and money as our approved grant did not include outside construction management. This came upon us with no warning from WSDOT so we are scrambling.
- Specifically, federally funded projects and the required manpower to manage the paperwork. Small communities need to hire a consultant to manage the documentation, thus reducing the amount of work that can be completed.
- Dealing with the ever-changing federal rules and regulations is insane. The number of changes including new regulations that come out constantly are almost impossible to keep up with. From the beginning to the end, every facet, A to Z, of the federal aid processes is massively complicated. I have been working with Federal requirements for more than 35 years now both at the State and County Level. They need to slow down the massive onslaught of new regulations that are constantly bombarding us.
- Our [redacted] project took many months to complete NEPA CE paperwork. We had no significant comments, just the review time delayed our project several months. ROW and Design approval were several months approval process.
- Delay of an emergency project caused by WDFW HPA. Other close calls.
- ROW - A fish passage project that the adjacent property owners are not in favor of. They refuse to sign Right of Entry permits, restricting access to perform topographic survey, wetland delineation, cultural resource survey, field work for Hydrologic, Hydraulic and Geomorphic Study. This forces pre-acquisition and eventually condemnation process before design can begin.
- Our main issue is achieving "full funding". As a poor County we are continually challenged with not having the match money available to participate in grant opportunities. Our secondary issue is lengthy environmental processes for the project we do have. This recently occurred on a lone bridge rehab project. Due to the lengthy review process the project was delayed. This was a project that was deemed to have "no adverse effects". Our third issue is with DBE goals. It reduces competition on our projects and forces us to basically "sole source" projects to meet these goals. We'd get better competition, service and more value for the taxpayers money by removing DBE requirements.
- [Redacted], has to delayed multiple times. The first two extension request was requested, and granted due to insufficient funding, that we need additional time to secure additional funding, which we were successful. The last extension request was a previously approved NEPA-BA was revoked due to 6ppd.
- We had a guardrail safety project that we put out to bid that had a DBE goal issued from local programs. We had zero contractors bid on the job. When we were allowed a zero DBE goal, we had two bidders on the job. Both contractors said that the DBE goal was the deciding factor on bidding on the job.
- Our [redacted] project is one example of a project that requires Formal ESA consultation for stormwater/6PPDQ impacts. The project has federal funds in the design phase triggering NEPA. The project adds pollutant generating impervious surface (PGIS) / road widening and will have stormwater detention and treatment facilities. Due to poor infiltration rates in the project area, treated stormwater will discharge into a nearby stream that eventually makes it way to the Puget Sound (several miles downstream). We are just

starting design and have not selected a consultant to support our NEPA; however, we do expect to add a biological assessment (BA) to our scope of work. I'd expect the BA for this project to be around \$20k. The larger impact may be to the schedule for delivering the project. The BA will be dependent on the design team completing the stormwater design/drainage report, which requires advancing the design to 60-80%. Then, the BA is prepared over a period of 6 months before it is submitted for Formal ESA consultation with the services (NMFS and possibly USFW). We've been advised to expect this consultation to take two years. After we complete the ESA consultation, then we can complete NEPA (which is basically shelf ready by then). Once we complete NEPA, then we can start the ROW phase. (If there are Federal Funds in the ROW phase, or relocation of EJ populations, or 4(f) properties we can't start ROW until NEPA is done). Our ROW phase will likely take three years, and then we can advertise for construction.

- [The] County has not had a County Engineer since September 15, 2023.
- Obtaining species listing from WDFW has caused a months worth of back and forth. We used to be able to pay for a hard copy map showing species within our project area. A lot of runaround for no reason
- Recently put project on hold as the funding for construction was well below allotted funds. Part of this is that process began before the high inflation period, resulting in a huge increase in construction costs. The potential for additional funding is currently limited.

Training, Tools, and Best Practices

Survey question: "Would additional training, tools, and best practices focused on successful delivery of transportation projects be helpful? Why or why not?"

Comments (51)

- Additional training, tools, or best practices are not going to change the environment permitting landscape, or speed up that time line, nor are we going to receive additional money or resources to complete the delivery of projects.
- Advising WSDOT to not charge local agencies. Only charge developers. We all pay taxes for their service.
- Also, would like someone that can understand what is being done,
- At [the] County we have a great working knowledge of the requirements but when regulatory agencies can their process due to either FHWA increasing the requirements or internally not having the staff to support the project loads it is affecting timely project delivery.
- Because old dogs can learn new tricks but it takes attention and lots of treats.
- Better staff proficiency.
- Delivering projects effectively is an ever evolving and complex process. More training is always welcome.
- [Redacted] appears to be unaware of potential project funding and is unable to participate when it comes to funding for roads unfortunately if there is a match of any kind as our budget barely allows for routine maintenance of our roads.
- Fundamentally there is disconnect between timelines and expectations between local programs(LP)/WSDOT HQ and local jurisdictions. Both LP and WSDOT HQ have soft or non-existent deadlines while local agencies are often blindsided by sudden deadlines, new forms/requirements, and no explanations on why things changed or why review took so long. "Training" for local agencies at this point seems useless because every

time we feel like we know the forms needed, or process to follow, something changes and we are given notice after the fact and have to re-do work. There is little to no support for rural agencies.

- I am not sure more training would help at this time; I think improved processes are first, THEN training. I hope someone is looking at the process overall and the delays, then focusing efforts on improving the common chokepoints. This is standard process improvement work: document the process, measure the process (quality and speed, etc.), then focus improvement on the places that have the greatest impact, measure again, repeat. [You know that!]
- It can't hurt. Many of the challenges are external, but it's always good to look internally at how we can be doing better.
- It is always beneficial to hear how others are handling issues with project delivery and staffing. My way may not be the best way always and any help we can get is appreciated.
- It seems that most of the largest hurdles are the increased bureaucracy and obligations that further impinge upon the available schedule to get a project through design and permitting and to construction. Training doesn't necessarily compensate for loss of schedule due to these factors.
- It would be good to know the latest revisions to requirements from FHWA and WSDOT before delays are experienced.
- Its a complicated process difficult to understand
- Learning about best practices for project delivery would be helpful
- Many of our challenges are external to our process and work effort but it is always a good exercise to identify opportunities to improve the process and tools for delivery. Perhaps WSDOT providing more project training with local agency attendance will improve their confidence in our work products streamlining the processes.
- More training is always useful and needed.
- More training, tools, and best practices can always help.
- Most of our issues are meeting regulatory requirements, training won't help that
- Need to educate tangential staff that could help with project delivery.
- Not really the problem. Our agency staff are capable. There are just too many obstacles in the way, which has gotten progressively worse in recent years.
- One tool fits all is how all of this money is dispersed. Best practices would include a different set of requirements for the west side of the state vs the east side of the state. Paperwork is never reduced. It always grows with more and more rules and regulations.
- Our challenges are not around training or staff capacity. There is a fair amount of available training we have access to from various agencies, private companies, and internally. Most of our challenges revolve around getting projects approved to go out to bid.
- Securing funding through multiple avenues. We have had limited success with TIB.
- Supporting Local Programs Programmatic efforts with NMFS will help. Training and best practices for implementation of the Programmatic will be needed. Would like to see a Programmatic with USF&W as well.
- The City has a firm understanding of delivering transportation projects, in general.
- The impediments we face are external to our agency. ROW and Federal Funding Requirements are exacerbated by already existing staffing shortages.

- The recent "hot topics" trainings put on by Local Programs have been great and most City staff make an effort to attend them. DBE rules, new apprenticeship requirements, and changes to what WSDOT will approve for traffic control plans seem to continually change and it's challenging for a smaller agency to stay current. The more training that is available the less likely it will be that we make mistakes throughout the process of state/fed funded projects.
- The training would be never ending. the problem is with the process and rules, which needs to be streamlined. waiting weeks and months for the review of a document at Olympia just to get in line to have another document reviewed...over and over again.
- There has to be a smoother, cost-effective way for small cities to manage their ROW acquisition needs for projects without turning every effort into one more costly than the actual design of the project. However, there really aren't "information-sharing" mechanisms to share both experiences and lessons learned with other, similar agencies. Current webinar trainings and the like are ineffective for this.
- There is a clear lack of training and overall guidance at staff, agency and even consultant level that is impacting our ability to move projects forward. I feel there has been very little information and training on many of the new requirements, such as apprenticeship requirements, etc.
- There is no way to make a training/class or series of training/classes that could keep up with all the regulatory changes and issues. If we could stabilize and quite constantly making new regulations or new interpretation of existing regulations, training might be useful.
- There is plenty of training available. There is just too much red tape and procedural issues on federal funded projects. I have no similar issues on my TIB projects. I have to pay at least 30% more for the engineering and consulting support on fed projects.
- This is not an issue that the County can control.
- This would be helpful but really needs to be accompanied by meaningful change in bureaucratic process. More paperwork does not mean better projects. Streamline the LAG Manual! We can meet environmental, cultural, and equity goals without endless paperwork.
- Training and outreach are needed for those at the decision-making level. We need to make our politicians better aware of how rulings, lack of directives with the rulings, and staffing issues affect our ability to deliver projects.
- Training is always beneficial but won't solve the problem.
- training opportunities are amazing when you have spare time to devote. It is so hard to carve out time for all the meetings, trainings and events related to funding. I do understand their importance, but not all agencies have enough staff to allocate time to the trainings.
- Training or best practices on utility coordination for capital project delivery could be useful.
- Training wouldn't hurt but it's not our hold up
- Unknown to LP and headquarters we are Licensed Engineers, we know what we are doing just get out of the way. heck on federal funded projects I as the county engineer am not qualified to determine who the low bidder is on a contract. it has to go to WSDOT headquarters.
- We do not have complex projects and feel we understand the requirements. The biggest hold up is always the time for review by WSDOT.
- We have a project that is starting for our Park and Ride parking lot. It is getting a bus stop, EV charging station.

- We know what the constraints are and are following the timelines for submittals and process, but the approval from others is taking too long, and this could have a catastrophic affect on our funding. And we are not the only ones. We were in an [redacted] meeting this AM and there are a multitude of cities in the same situation, critical path to funding obligation!
- We know what we need
- We need stability in regulations. Public works projects typically take multiple years to develop, and when the regulations change mid way, that comes with additional costs and time.
- While training will always be helpful, consistent communication and expectations from state and federal agencies would be far more helpful.
- WSDOT Local Programs seems to be understaffed. It is difficult for small agencies to get through review process. As our CA it would be great to have more help. The relationship does not feel cooperative.
- train WSDOT to do there job faster.
- Yes and no. If we have adequate guidance on timeframes it would help plan better but still would not improve the time.

Preferred Entity to Deliver Training

Survey question: What agency or organization would be most effective in delivering training and tools on the priority topic(s) above? Select up to three. Please tell us why you feel the organization(s) selected above would be the most effective:

Comments (59)

- I'm quite familiar with WSDOT. I consider AWC and MRSC advocates for cities.
- [The] County work closely with WSACE and WSDOT for upcoming changes to policies and rules.
- As a City, we tend to only utilize the three selected here as that is what is more widely known and available.
- As a County these 3 currently provide the most relative and direct content to our projects and policies.
- AWC and MRSC always provide good information that is clear and effective. I feel it would be good to have WSDOT explain their process and try to work together to complete projects effectively.
- Based on my own familiarity with these organizations.
- CRAB oversees and provides training and guidance to Counties. WSDOT Local Programs oversees FHWA Grants for Counties. WSDOT develops and maintains standards for construction and has the largest department to facilitate the needed trainings.
- Differing perspectives
- Good at educating cities and folks who aren't aware how to do projects.
- I do not know the capabilities of some of the lesser known entities listed above; MRSC and AWC are well known to be useful to cities; WSDOT is the one that knows their rules best so I selected those three but others could be better - not known
- I feel like this survey is trying to justify more training. We generally know how to deliver projects.
- I feel that many of the organizations that I choose have firsthand knowledge of the struggles of very small cities. They have worked directly with other small towns and can provide valuable information on ways to accomplish the end goals.

- It depends on the topic. If it is related to WSDOT requirements it should be them. Legal should be MRSC. Relationship and managing should be WSACE
- It would help a lot if they would work with us if something is filled out incorrectly that instead of sending it back they would work with us to get what they want(we don't do what they do everyday)
- MRSC and APWA currently delivery great training on similar project delivery topics.
- MRSC is a resource we already use all of the time.
- MRSC is the most efficient of the agencies above.
- Only because those two organizations care about making things easier for smaller entities that don't have singular titles. All employees have multiple jobs that continue to increase in workload because of new laws and regulations.
- Our staff have already received numerous training and are familiar with these three organizations.
- Past record.
- Previous training experiences with these organizations and direct connection to projects
- Resources and level of experience.
- Since the majority of federal funding is passed through WSDOT and they are the regulators, they should be helping us understand compliance.
- That is where we have had issues.
- The above are the least likely to "talk over the heads" of small to medium sized agencies.
- The three selected organizations are already resources we trust and use for training, development and guidance.
- The WSAC always does a great job with training. The WSDOT training is always valuable. Their training on the LAG manual would be helpful.
- These agencies are the ones we have the most experience with for training and have more in depth knowledge of the topics we seek training for.
- These are all organizations that we are familiar with and would feel comfortable attending trainings as well as most likely to hear about these trainings if presented.
- These are the agencies where we have the deepest relationships and whose expertise best aligns with ours.
- These are the ones I know and rely on for help.
- These are the three agencies/organizations that the City has the most interaction with on fed/state funded projects and who we go to when we need guidance on process.
- These groups use an effective way to communicate.
- These organization's are already provide information and have a system in place to distribute it.
- These organizations understand the multifaceted/interdisciplinary objects we're trying to meet.
- These three agency's do a great job facilitating information.
- They are great at producing educational material
- They have the best knowledge of the challenges and the reputation for being able to deliver training.

- They work within the same regulatory and project delivery environment as we do. Also, they currently provide oversight to local agencies on federal aid transportation projects.
- This is the best conference of every year. Casual but focused. No offense AWC, y'all do great work!
- This seems to our biggest difficulty
- Those are the only 3 I have any experience with.
- Those are the organizations I work with regularly.
- Very specific training to DOT, what they want to see in a project and requirements
- Washington State Association of Counties has dealt with similar issues. WSDOT has extensive experience with project delivery, and its Local Programs section is involved with all local agencies that receive federal funding.
- We are most familiar with those...
- We do a lot of training with AWC and working with WSDOT it would be nice to have a idea on what they are looking for as a complete project.
- We have had positive results from these organizations historically.
- We need major improvements to our broken processes to create the fiscal and environmentally sustainable communities we need for a better future
- We regularly participate in training from those groups already, and they are typically well done.
- While WSDOT would be the best to coordinate federal funds tools and training, MRSC can be helpful by continuing to streamline small works roster contracting process and providing updates on Public Works contracting requirements. Right now these are very difficult to understand and interpretations vary from agency to agency.
- WSAC trust county engineers.
- WSDOT - they administer federal funds and we must coordinate with them IACC and MRSC typically work with local agencies and know how to support us
- WSDOT because most of the projects with issues are overseen by WSDOT.
- WSDOT because they regulate/oversee many project processes. MRSC & AWC since they would likely have a better understanding of the challenges experienced by agencies overall.
- WSDOT directly oversee delivery. MRSC is an industry standard, but underutilized by us
- WSDOT is our only element of review we do not control on the state route within our agency.
- WSDOT is responsible for stewardship and oversight of FHWA process, they should understand all the processes best. City and Counties could learn from each other on best practices.
- WSDOT is the agency that most of our grants are through

Other Comments

Survey question: “Based on the study objectives, please share any other comments about current challenges or potential solutions to streamlining local transportation project delivery.”

Comments (32):

- 1) Local transportation project delivery would be streamlined if state and federal agencies hired full time staff dedicated solely to reviewing local agency projects and permit applications. 2) U.S. Fish and Wildlife Service, National Marine Fisheries Service, and WSDOT Local Programs should all be encouraged to develop programmatic or other streamlined approaches to improving the ESA review, including the development of rules and regulations that can be implemented in reasonable timeframes based on their staffing capacity. 3) The amount of time needed for tribal consultation could be reduced if the appropriate agencies work with the Tribes to develop mutually acceptable standards for culverts and bridges.
- 1. Reduce paperwork burden. 2. Align agency objectives. 3. Partner in supportive ways.
- Besides our own internal staffing issues, the delays and costs associated with the arbitrary permit process, along with the chaotic imposition of DBE, apprenticeship, and other such requirements make getting a project out more and more difficult to achieve.
- Better communication with regulatory and local agencies would be helpful.
- Concerns about funding with the new administration.
- DBE goals when our agency is pretty remote are very hard to meet and OECR - WSDOT lack of understanding in that and the construction process can cause a lot of frustration.
- Designing and Building a project is easy. The nightmare is in the regulations and paperwork. And the fact we have very few DBE firms in our region results in crazy high prices and no competition. DBE consultants and Contractors can generally just name their price.
- environmental and right of way back log
- Falling revenue from property and gas taxes and inflationary cost increases from the consultant community.
- FHWA is trying to streamline their process, i.e. more personnel or shorter timeframes, but it is not being done in time to help our project timeline for funding. we are at the mercy of their approval.
- have CRAB oversee federal fund. they trust county engineers.
- I myself need to look more depth into what the current rules and regulations are to put me in the right path to receive the state or federal grants.
- It is hard for small cities to effectively use the current procurement requirements. Businesses from all over the state put their name on the MRSC saying they do work for our city, however there are very few that are actually representing our city. In turn this means we are not using small businesses inside of our city in order to meet the very restrictive policies issued by the state. The restrictions actually prevent small rural cities from being able to use LOCAL small businesses.
- It would be beneficial to have a "no surprises" approach to grants and project delivery. Once a project is awarded, the requirements should not change so we can be assured of meeting deadlines and not be faced with significant new administrative requirements that don't result in construction changes - e.g., New requirements for DBE goals for construction management that have never been required before. Costs time and money and no benefit to the actual work
- Keep working on streamlining permitting. Coordination of grants, how to combine grants with varying requirements. Collaboration with bureaucrats and politicians to better educate them on reality as to how their rulings impact critical infrastructure delivery.
- Limited by current staffing. We have good engineers and project managers, but they can only do so much work.

- No DBE for counties under a certain population. They are hard to find and are extremely expensive. Simplify Right of Way. Get rid of match requirements to smaller counties. WE CANT AFFORD THEM. The county shouldn't not have to have multiple sources of funding on each project because they do not have the capital to match.
- Our biggest challenge is declining funding for Counties and being able to come up with match funding for grant projects. We'd like to see an exemption of match funding for Frontier/Poor counties with State and Federal projects.
- Permitting and right-of-way continue to be a constant impediment towards delivering local transportation projects.
- Please look at the entire system and fix what is not working well. I think the challenge is that each agency/process owner is focused on THIER needs/desires, but no one is looking at (and has the power to control/change/influence) the whole process to see where the internal conflicts are causing impacts to speed of delivery and quality of output.
- Recent stormwater infiltration requirements will cause delays for projects in areas where perk rates are poor. WSDOT is trying to work on an abbreviated approval process, but not all projects will be eligible if impervious area is too great.
- Rural counties and municipalities have no representation in HQ or LP processes. As someone who has been through a successful GFE, and experienced how a DBE can go from good standing to "no longer qualifies" in the middle of public advertisement to bid, there was no quarter given or any semblance of understanding the heartache we experience trying to hone in on the often moving and elusive target that is compliance to spend the small amounts of money we are awarded.
- Small town funding sources.
- Some challenges are not know what is coming next. Changes Federally from new administration and changes from state legislature based on politics, incorrect one size fits all, or in response to Federal.
- Stabilize and standardize regulations. I believe the cost of environmental mitigation is the leading cause of the cost increases to projects. If we could just design and build, we could accomplish a lot.
- There is much more emphasis given to aspects such as DBE, "equity", cultural resources, etc. than there is the actual project designs in many cases. This leads to excessive administrative cost and additional time for project delivery.
- Timely utility company relocates is challenging.
- We delivered a really good project this year. They are just finishing up with the tree planting. That part is fish and wildlife Habitat restoration - - it would be helpful if our projects only had to deal with road issues like site distance and such things.
- When there are multiple funding partners in a project it would be great to get all partners together in the beginning and set up ways to streamline contracting and work together creating a tandem contracting plan to ensure timely completion and less repetitive work.
- WSDOT and large metros simply needs to implement the fed funds and substitute state money for the smaller cities.
- WSDOT has not yet recovered from staffing, process, and productivity issues worsened during COVID.
- WSDOT staff are overwhelmed and maintaining staffing is a challenge for them. We can experience long waits for project approvals.

Appendix F: Activities that Trigger ESA Review Regardless of Federal Funding Status

Absent federal funding, local transportation projects would typically not trigger ESA review unless they require a permit issued by the U.S. Army Corps of Engineers (Corps). A Corps permit is required for certain activities in, over, under, or near waters of the US or special aquatic sites, including wetlands. The Corps is the lead agency for ESA review under the following laws.

Section 10 of the Rivers and Harbors Act of 1899

Requires a permit prior to the accomplishment of any work in, over, or under navigable waters of the US, or which affects the course, location, condition, or capacity of such waters. Typical activities requiring Section 10 permits are:

- Construction or installation of marine infrastructure, including but not limited to piers, wharves, bulkheads, dolphins, marinas, ramps, floats, overhanging decks, buoys, boat lifts, jet ski lifts, intake structures, outfall pipes, marine waterways, overhead transmission lines, or cable or pipeline crossings.
- Dredging and excavation.

Section 404 of the Clean Water Act

Requires a permit prior to discharging dredged or fill material into the waters of the US, including special aquatic sites such as wetlands. Typical activities requiring Section 404 permits are:

- Depositing fill, dredged, or excavated material in waters of the US and/or adjacent wetlands.
- Grading or mechanized land clearing of wetlands.
- Placement of spoils from ditch excavation activities in wetlands.
- Soil movement during vegetation clearing in wetlands.
- Fill for residential, commercial, or recreational developments.
- Construction of revetments, groins, breakwaters, beach enhancement, jetties, levees, dams, dikes, and weirs.
- Placement of riprap and road fills.

Appendix G: Apprentice Utilization Plan

What is the Apprentice Utilization Plan?

Beginning July 1, 2024, the Apprentice Utilization Plan (AUP) requires most cities, towns, counties, and port districts in Washington State to mandate that contractors (and subcontractors) perform at least 15% of labor hours on public works projects using apprentices enrolled in state-approved apprenticeship programs.²

Apprentice Utilization Requirements

Apprentice utilization requirements (AURs) have existed since the early 2000s, but the most recent 2024 legislation broadly expanded these requirements for local government agencies. These broadened requirements apply to most municipalities. See the textbox at right for an abbreviated list and [RCW 39.04.010](#) for details.

The broader 2024 AURs will phase in via larger public works contracts through 2028. *Exhibit 9* outlines the AUR phasing schedule.

AURs Apply to:

- Cities and towns
- Counties
- Port districts

AURs do NOT apply to:

- Housing authorities
- Various diking, drainage, and/or irrigation districts
- Other districts for the reclamation or development of waste or unclaimed lands

Exhibit 9. AUR Phasing Schedule

July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028	July 1, 2029
AURs apply to projects > \$2.0 Million					
		AURs apply to projects > \$1.5 Million			
				AURs apply to projects > \$1.0 Million	

Sources: BERK, 2025; MRSC, 2025; Performance Plane, 2025.

Public Agency Responsibilities

As a part of the 2024 AUP legislation, public agencies are responsible for:

- Incorporating AUR elements into bid documents and contracts.
- Reviewing and approving AUPs submitted by bidders and contractors.
- Monitoring bidders' and contractors' compliance with AUPs.
- Reviewing and adjusting requirements as needed.
- Assessing incentives, good faith efforts, and penalties as needed.

² Please note: Findings in this synopsis come largely from [MRSC's "Apprentice Utilization Requirements for Public Works Contracts"](#) informational resource as well as [MRSC's "Good Faith Efforts and Penalties"](#) Zoom Webinar Slide deck. Other sources include Washington State RCWs (as noted throughout the text).

Incentives

[RCW 39.04.320](#) (4)(b) states (emphasis editorial):

*There must be a specific line item in the contract specifying that apprenticeship utilization goals should be met, **monetary incentives for meeting the goals**, monetary penalties for not meeting the goals, and an expected cost value to be included in the bid associated with meeting the goals.*

These monetary incentives included in the RCW are only to be provided if contractors and subcontractors successfully achieve an apprentice utilization ratio of 15% of all labor hours. If the utilization percentages are reduced, monetary incentives do not apply. The current common practice for paying an incentive is to include it as a payment item on the contract final payment.

The best practice is to include an incentive that motivates the contractors and any subcontractors that employ hourly workers to use apprentices, including a per-employee reimbursement to cover the cost of hiring and using apprentices.

Thinking of an incentive as direct compensation for required work better supports the contractor's ability to be fully compensated for real costs. This prevents contractors from burying the costs in overhead or absorbing the cost to keep prices low.

Allowances and Bid Items as Incentives

Because hiring and training apprentices through state-approved programs often adds labor costs, incentives that reimburse contractors and subcontractors for the cost of apprentice training programs can be an effective way to maintain their interest in public agency projects. This can be achieved through either of two ways:

- **Incentive as an allowance.** An allowance is a budget provision for project costs that cannot be exactly calculated at the time of bidding. Public agencies can use this concept to establish a predetermined apprenticeship utilization allowance that compensates contractors for the direct training costs of registered apprentices.
- **Incentive as a bid item.** Bid items can include predetermined unit prices and estimated quantities. Contractors and public agencies can work together to establish a unit price for each anticipated apprentice and incorporate the cost of the AUR into the bid price.

Exemptions

Public agencies have the authority to adjust apprentice utilization requirements for *a specific project*. There is no clear legal authority for agencies to issue a blanket reduction across multiple projects. In rare cases, a public agency may even need to adjust the AURs to 0% (i.e., no apprentices will be used). The 2024 legislation outlines several scenarios in [RCW 39.04.320 \(2\)](#) where adjustments may be warranted, including:

- (a) *The demonstrated lack of available apprentices in specific geographic areas;*
- (b) *A disproportionately high ratio of material costs to labor hours, which does not make feasible the required minimum levels of apprentice participation;*

- (c) *Participating contractors have demonstrated a good faith effort to comply with the requirements of this section; or*
- (d) *Other criteria the awarding entity deems appropriate, which are subject to review by the office of the governor or the municipality's legislative authority if the awarding entity is a municipality.*

In addition to these scenarios outlined in legislation, other reasons for adjusting the AUR might include:

- **Worker Displacement.** Hiring an apprentice might necessitate laying off existing employees.
- **Unbalanced Program Costs.** The cost of training through a state-approved program is 50% or more of a subcontractor's entire bid.
- **Change Order Work.** An approved change in contracting introduces new, previously unanticipated work without sufficient scope or time to maintain apprentice ratios.
- **Warranty / Specialty Work.** The contract requires specialized equipment or systems that can only be serviced by certified, journey-level installers or technicians from the manufacturer.
- **Federal Funding.** Federal funding justifies adjustments of state AUR on public works projects.

Good Faith Efforts

Good faith efforts are a pathway to adjust a project's AUR if it is not feasible for contractors to comply. There is no unified, statutory definition of what constitutes a "good faith effort"; local jurisdictions have the authority to define it in a manner appropriate for their situation.

For contractors and subcontractors looking to demonstrate a good faith effort, they should seek to utilize registered apprentices through state-approved training programs. Simply contacting one apprentice program, focusing on a limited scope of work, or focusing on a single contractor's labor would likely not count as a good faith effort.

The suggested practice for requesting apprentice utilization adjustments is for contractors to submit a documented demonstration of their "good faith effort" to the relevant public agency. Contractors and subcontracts should include specific adjustment requests and supporting justification for their request via corroboration with state-approved programs.

Penalties for Non-Compliance

In addition to requiring the use of incentives, [RCW 39.04.320](#) (4)(b) also states that (emphasis editorial):

*There must be a specific line item in the contract specifying that apprenticeship utilization goals should be met, **monetary incentives for meeting the goals, monetary penalties for not meeting the goals**, and an expected cost value to be included in the bid associated with meeting the goals.*

If a contractor fails to meet the agreed-upon AUR there must be monetary penalties. These penalties are paid to the awarding agency and should be tracked and reported through the Washington Department of Labor and Industries (L&I) to the Washington State Apprenticeship & Training Council (WSATC). Penalties are typically deducted from the final contract payment made to the contractor.

Penalty Structure

While there is no defined structure of how public agencies must penalize non-complying contractors, L&I recommends a “tiered” or “stepped” penalty approach where the penalty amount is calculated based on the degree of underutilization. This calculation considers the difference between the required 15% (or agreed-upon) AUR and the actual percentage used.

For example, a public agency could determine that contractors will be penalized for every hour of AUR shortfall at the published wage of the apprentice laborer. In this instance, if a contractor were 50 hours short of the agreed-upon AUR and the apprenticeship laborer rate was \$50, they would be penalized \$2,500.

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