# **Recommendations to Streamline Local Project Delivery**

Presentation to the Joint Transportation Committee | June 24, 2025

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### Agenda

- Study introduction
- Research and key findings
- Recommendations
- Next steps



Source: iStock, kozmoat98, 2007.



#### **Consulting Team**

Empowering local governments





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### **Workgroup Membership**

Representative(s)	Workgroup Membership (Per the Proviso)
Roscoe Slade, City of West Richland	City with population >5,000 and <50,000
Katherine Miller, City of Spokane (through 4/25/2025)	City with a population >50,000
Phil Wallace, Kiewit (through 12/1/2024)	FMSIB
Brandy DeLange, FMSIB	FMSIB
Steve Johnson	County Road Administration Board
Ryan Morrison, Whatcom County	County with a population >100,000 and <400,000
Brian Johnston, Pierce County	County with a population >400,000
Jonathan Nichols, Sound Transit	Regional Transit Authority
Peter Stackpole, Intercity Transit	Transit serving an urban county
Brad Windler, Island Transit	Transit serving a rural county
Ashley Probart	Transportation Improvement Board
Terry Drochak, Jay Drye, Kyle McKeon, Melanie Vance	WSDOT
Chris Herman	Washington Public Ports Association

### **Study Background**

#### Engrossed Substitute House Bill 2134 (2024)

- To convene a project delivery streamlining work group to review streamlining options and recommend practices that support expedited [local] project delivery
- Review options that include, but are not limited to, those listed at right
- Identify opportunities for pilot projects to test some of these options

#### **Options to Review**

- Preapplication communication
- Partnership agreements
- Contracting processes
- Fund sources
- Mitigation
- Land use
- ROW
- Permitting
- Shared technology

### **Study Overview**

#### Objective

Eliminate process duplication and inefficiencies in project delivery to:

- Use taxpayer resources more efficiently
- Increase delivery of tangible community benefits, such as enhanced mobility and improved safety

#### Balance



#### Methodology





Desk research



Interviews with WA stakeholders and other states



Survey of local jurisdictions

### **History of Streamlining Efforts in Washington State**

#### Four overarching strategies **Timeline of specific actions** Reforms initiated by the Transportation Permitting Efficiency and Accountability Consistency 2001-2005 Committee: multiagency programmatic permits, watershed-based mitigation, and local Coordination and permitting improvements consistency of project 2003 Creation of Multi-Agency Permitting Team (MAP) at WSDOT review and statutes 2006-2007 Improvements to online Joint Aquatic Resources Permit Application (JARPA) 2010 Legislation aligning Shoreline Management Act and Critical Areas requirements **Staffing** Legislation requiring permit tracking, reporting, and timeliness improvements at state 2014-2020 Increased staffing and agencies, including WSDOT training Statutory exemption from SEPA for repair/replacement of state bridges deemed 2015 structurally deficient by WSDOT Adoption of Transportation Project Delivery and Review including provisions for training 2015 and technical assistance Permitting 2021 Legislation amended to establish specific timeframes for review of fish passage permits Improved processes 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 **Funding** House and Senate pass HB 1902 directing WSDOT to convene a workgroup to develop 2025 Streamlined funding recommendations to streamline transportation project permitting requirements WSDOT Local Program aims to improve consistency of WSDOT project reviews and Ongoing guickly identify issues to elevate for resolution

# **Research and Key Findings**

### Survey of Local Governments: Most Significant Barriers to Project Delivery



#### Who responded?

- 47 cities or towns
- 27 counties
- Broadly representative of the sizes of WA jurisdictions

### Local Transportation Projects: Local, State, Federal Regs

#### Local Requirements and Regulations

#### May include:

- Permit requirements, such as land use, grading, drainage, utility
- Critical areas regulations
- SEPA and Shoreline compliance
- Flood risk assessment
- Other relevant local standards

#### **State and Federal Requirements and Regulations**

Applies to any project that meets 1+ criteria:

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

#### May include:

- National Environmental Protection Act (NEPA)
- Endangered Species Act (ESA)
- Clean Water Act
- Hydraulic Project Approval
- Construction Stormwater General Permit
- Apprenticeship
- Disadvantaged Business Enterprise (DBE)

### **Deeper Dive: Delays Due to Federal Funding Requirements**

#### "Federalized" project: a project that receives federal funds and must adhere to federal requirements

- These rules and regulations may not otherwise apply, and requirements are becoming increasingly onerous
- Desk research shows that federalization increases costs and timelines across the US
- Federalization is especially inefficient for:
  - Projects with small amounts of federal funding. Significant # of these projects in planning phase in WA.
  - Agencies without Certification Acceptance to use federal funds on their own

#### Most challenging requirements for WA local jurisdictions:

- Endangered Species Act
- Disadvantaged Business Enterprise

### **Federal Funds Exchange: Other States**

Federal fund exchange: a method of exchanging federal dollars for state dollars

- Can occur at program or project level
- Operates within a state
- At least 15 states have active programs

"The Florida DOT reviewed its portfolio to understand how federal requirements impacted cost and timeline and found that the preconstruction phase was 1.8 to 3.5 times longer than for projects without federal funding."

Source: Texas A&M Transportation Institute, 2020.



Sources: USF Center for Urban Transportation Research, 2020; BERK, 2025; MRSC, 2025; Performance Plane, 2025.

### Federal Funds Exchange: After vs. Before Project Selection



#### **Before Project Selection**



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

### **Deeper Dive: Delays Due to State Review Processes**

State review and permitting processes are onerous, often inflexible, and are characterized by:



### **Local Transportation Projects with Federal Funding**

- Local transportation projects with federal funding must engage several state and federal agencies
- Processes are concurrent and at times interdependent



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

## Recommendations

### **Recommendations Overview**

#### **Criteria for Recommendations**

- 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

#### **Six Recommendations**

- 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

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

### **Step 1. Prepare**

- Authorize a stable funding source for the federal funds exchange pilot program and expand its reach
- Expand TIB's role in facilitating federal funds exchange
- Fund and commission a data analytics and permanent program design study

#### **Step 2. Implement**

- Could exchange funds either after or before project selection
- Use TIB and WSDOT's inventories of more than 1,600 local projects to reallocate federal funding from smaller projects to larger federalized projects

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

- Establish performance standards
- Remove inconsistencies in review standards and interpretation from one reviewer to the next
- 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
- Establish requirements for project initiation meetings
- Improve communication with local governments
- Streamline HQ review of decisions made by WSDOT regions

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

- Permit tracking software will:
  - Increase transparency
  - Offer aggregated reporting to identify bottlenecks
- Collaborative plan review software would
  - Minimize repetitive steps
  - Enable real-time coordination among reviewers

### 3. Coordinate and Simplify Interagency Environmental Review

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

- Facilitator would reside within an Executive agency (e.g., ORIA, WSDOT)
- Convene decisionmakers to resolve issues

B. Convene a wellresourced, multi-agency effort to expedite project delivery

- Needs backing by State leaders
- Process improvement effort supported by LEAN assistance
- Examples of work to consider:
  - Update the JARPA submittal form to reduce duplication
  - Standardize rule interpretation
  - Limit review standards to only those in place at time of submittal

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

 Provide additional funding for WSDOT to implement this work

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

- Base DBE goals on the capacity of DBE contractors
- Expand efforts to build the capacity of less-experienced DBE contractors

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

- 85% of survey respondents noted that training on project delivery would be helpful
- Focus on small jurisdictions that rely heavily on consultant for their projects

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

- Focus on staff workloads, response times, duration of review, bid vs. actual costs, and frequency of resubmittals
- Will pinpoint need for future improvements

### Next Steps: Carry this Work into the Next Effort

Use the findings and recommendations of this report as a foundation for ESHB 1902

- Review survey data and comments
- Prioritize and fund data collection to measure the extent of the problem and any progress
- Discuss operationalizing the relevant recommendations

#### **ESHB 1902**

Requires WSDOT to convene a work group of state, local, and tribal representatives to develop recommendations to streamline the permitting of transportation projects.

## Thank you!