

2018 Supplemental Transportation Budget - House Transportation Chair's Proposal - Summary

The House Transportation Chair's proposal for the 2018 Supplemental Transportation Budget (Chair's proposal) makes several adjustments to the underlying 2017-19 biennial transportation budget adopted in April 2017. Appropriations for capital programs are increased by \$665.1 million to a total of \$4,872.7 million, reflecting largely the effect of work carried over from the previous fiscal biennium into the current fiscal period. In operating programs, funding levels are adjusted by \$150.4 million, including \$75.5 million in new policy additions, to a new total of \$4,456.6 million. Overall, appropriated amounts are increased from the underlying biennial level of \$8,513.8 million to \$9,329.3 million.

Capital Programs

The capital programs funded by the Chair's proposal include the Washington State Department of Transportation (WSDOT) programs for: Improvement and Preservation (also known as the Highway Construction program); Facilities; Traffic Operations; Ferries; Rail; and Local Programs. Capital expenditures in the Transportation Budget are also made for the Washington State Patrol (WSP); the Transportation Improvement Board (TIB); the County Road Administration Board (CRAB); and the Freight Mobility Strategic Investment Board (FMSIB).

Overall, capital appropriations are increased to \$4,872.7 million, a change of \$665.1 million from the base budget. Of the change, \$458.0 million (or 69%) is attributable to amounts reappropriated for work originally planned for the 2015-17 biennium. Other factors contributing to the change are updates to project costs due to inflation and other factors, as well as a number of new initiatives.

WSDOT Local Programs

WSDOT Local Programs administers the Safe Routes to Schools Program, the Bicycle Pedestrian and Safety Program, and oversees federal and state funding provided to local governmental entities under certain programs and for specific projects. Changes to WSDOT Local Programs in the Chair's proposal require \$66.7 million in additional funding, much of which (\$39.3 million) is for work originally planned in the previous fiscal biennium. Of the remainder, \$12.6 million is provided for the advancement of the following Connecting Washington projects in order to align with other corridor construction work:

- \$10 million is provided for the Mountains to Sound Greenway project to align with I-405/Renton to Bellevue – Corridor Widening project timing.
- \$2.6 million is provided to advance the I-5/Port of Tacoma Road project into the 2017-19 biennium to align with other construction project timelines in the vicinity.

Several new initiatives are funded. These include:

- An additional \$3 million provided for the I-5/Mellen Street Connector project;
- \$3.8 million for a track improvement project on the PV Hooper line of the state-owned Palouse River and Coulee City Railroad;
- \$3 million for a seismic retrofit project on the Bronson Way Bridge in Renton;
- \$3 million for a roundabout project at Willis Street and 4th Avenue S in Kent;
- \$2.5 million for the permitting and construction of Bridge 12 on the Chelatchie Prairie Railroad in Clark County;
- \$1.2 million for the Interurban Trail & Trailhead project to relocate and rebuild a 2,100 foot segment of trail in the vicinity of the segment of the Puget Sound Gateway project (SR 167/SR 509) in Fife;
- \$1 million for a downtown connector project to complete the Alder Street/Olympic Highway N project in Shelton;
- \$360,000 for preliminary engineering of phase 2 of the Mountlake Terrace Main Street Revitalization project;
- \$350,000 for protective barriers on the 8th Street Bridges in Port Angeles;
- \$300,000 for emergency road work on Prevedal Road in Lyman; and
- \$100,000 for master planning work on the Aubrey Davis Park in Mercer Island.

WSDOT Highway Improvements

The WSDOT Highway Improvements program is responsible for the construction of highways and other projects that improve mobility, reduce congestion, and decrease collisions. The Chair's proposal provides funding for new projects, revises funding plans to reflect updated timelines, and provides increased funding reflecting rising costs of construction and materials. Of the total \$2.49 billion in highway improvements programmed in the current 2017-19 biennial budget, adjustments are made totaling \$265 million, largely attributable to reappropriated amounts.

The Alaskan Way Viaduct replacement project is moving toward final completion with planned tunnel opening in late Autumn/early Winter 2018. Estimated state funding needed for completion of the project is \$114 million, down from the September 2016 estimate of \$149 million. The Chair's proposal provides \$60 million in the current biennium, with the intent to provide the remaining \$54 million of state funding in 2019-

21 to complete the project. Local amounts for the project are also appropriated in the Chair's proposal, bringing the total project increase for all funds in the supplemental budget to \$76 million.

The I-5 Tacoma high-occupancy vehicle (HOV) project has experienced weather related delays. The chair's proposal reflects the updated timeline, with final expenditures expected in the 2021-23 biennium. Total funding for the project is unchanged.

A portion of the 2015-17 funding for the SR 520 Seattle corridor improvements project is reappropriated in the 2017-19 biennium reflecting project delays related to property acquisition.

Funding totaling \$20 million is provided to build a northbound HOV lane on SR 167 between the Puyallup area and Auburn. The project also includes the installation of a series of new cameras to provide coverage in areas where gaps exist.

WSDOT Highway Preservation

The WSDOT Highway Preservation program is responsible for the preservation of the state highway system, including the reconstruction and significant rehabilitation of state facilities. The Chair's proposal adds \$10 million of Transportation Partnership Act (TPA) funding for highway preservation purposes, with the intent to continue this support in subsequent biennia. In addition, \$8.9 million is provided to advance the US 12/Wildcat Bridge Replacement project, enabling the project to be completed in 2017-19, one biennium earlier than planned. The chair's proposal increases federal expenditure authority by \$13.6 million for emergency repairs related to SR 20/Loup Loup Pass, State Routes 503 and 112 slope stabilization, SR 129, US 395 South to Orient Matsen Creek washout, and I-90 Vantage guardrail repairs.

WSDOT Facilities

The WSDOT Facilities program constructs, preserves, and maintains the structures needed to house the staff and equipment for WSDOT's highways programs. The chair's proposal provides \$14 million to address the deferred maintenance of WSDOT's Northwest Region headquarters, preparing the facility for the eventual collocation of additional tenants, the Department of Ecology and the Department of Licensing. The final building improvement phase is estimated to be \$32.5 million which will be funded through lease fees. Increased funding of \$18 million is also provided for the Olympic Region maintenance and administration facilities to accommodate increased construction cost estimates as well as expanded road work around the facility, bringing the total estimated cost of the project to \$58 million.

WSDOT Ferries Capital

The WSDOT Ferries Capital program preserves and constructs terminals and acquires vessels. Proposed changes in the funding include the addition of \$50.3 million in reappropriations to account for work originally planned in the 2015-17 biennium, as well as \$31.1 million in additional support for ongoing projects and a couple of new initiatives. Noteworthy increases include \$11.6 million for the Mukilteo terminal project, to be completed by December 2019; and \$25.7 million for the Seattle terminal project. \$600,000 is provided for an electrification study and the development of a related request-for-proposal for conversion of the Jumbo Mark II class to hybrid-electric propulsion systems.

WSDOT Rail Capital Program

The WSDOT Rail Capital Program maintains the state's interest and investment in statewide rail infrastructure. The Chair's proposal for the WSDOT Rail capital program includes \$81 million in additional appropriation authority in 2017-19 for reappropriated amounts to complete work originally scheduled for completion in the 2015-17 fiscal biennium.

Operating Programs

Operating agencies and programs funded in the Chair's proposal include operations at: the Department of Licensing (DOL); the Washington State Patrol (WSP); the WSDOT programs for Aviation, Tolling, Highway Maintenance, Planning, and others; the Transportation Commission; the Joint Transportation Committee; and several other small agencies.

The Chair's proposal includes policy additions of \$94.8 million across various operating programs, with the biggest changes occurring at WSDOT, the DOL, and the WSP.

Department of Licensing

The DOL is responsible for licensing drivers and vehicles. The Chair's proposed DOL budget is increased by \$47.5 million for policy changes, a 14 percent increase, to a total of \$382.5 million. Much of this change is for REAL ID implementation and expected workload increases related to enhanced driver's licenses (EDLs) and enhanced identification cards (EIDs). \$42.7 million is provided for this effort for additional staff, technology improvements, and operational efficiencies. The amounts include \$200,000 for continuing education and outreach and \$230,000 for developing an app that will aid

in Licensing Services Office (LSO) management and customer service. Of the total, \$27.4 million is placed in reserve until the Office of Financial Management (OFM) verifies the need for the funds. The amounts are provided on a one-time basis so that the Legislature can reevaluate the need for the staff in the 2019 legislative session.

Additional funding is provided to DOL to implement and facilitate the Abandoned RV Disposal Reimbursement program (\$500,000); for the Driver and Vehicle Systems (DRIVES) implementation (\$3.3 million); and for costs associated with the use of identity verification services associated with the issuance of EDLs/EIDs and commercial driver's licenses (CDLs) (\$635,000).

Washington State Patrol

The WSP is responsible for enforcing traffic and other laws, particularly along state rights-of-way and on state land. The Chair's proposal provides \$4.3 million for a fourth trooper class in the 2017-19 biennium, with the goal of reaching fully-staffed trooper levels. Ordinarily, only two classes are run per biennium. An additional \$1.4 million is provided to complete the skid plan project at the Shelton Academy, where troopers learn how to drive on unsafe road conditions in a controlled environment. The budget also provides \$70,000 for administrative support to the License Investigation Unit in southwest Washington for the purposes of investigating vehicle registration fraud.

WSDOT - Highways Maintenance

The WSDOT Highways Maintenance program is responsible for maintaining the rights-of-way of the state highway system in good order. Funding totaling \$3 million is provided in the Chair's proposal from the Alaskan Way Viaduct Account for the SR 99 tunnel structure operations and maintenance, supporting an opening date of November 2018.

WSDOT - Tolling

The WSDOT Tolling program is responsible for administering the tolled facilities of the state system, including the Tacoma Narrows bridge, the SR 520 floating bridge, the SR 167 high-occupancy toll lanes, and the I-405 express toll lanes. The program will administer the tolling system for the SR 99 tunnel in Seattle in the latter part of the fiscal biennium. In this regard, the Chair's proposal provides \$1.8 million for an anticipated increase in demand for transponders for the start of SR 99 tunnel tolling, costs that will be covered by fees paid by users. In addition, the Chair's proposal provides \$5.6 million for the operations and maintenance of the SR 99 tolling equipment facilities for the last seven months of the biennium.

In addition to the SR 99 tunnel-related costs, \$2.8 million is provided for increased tolling vendor costs related to the extension of the current vendor contract past the original contract end date and for additional costs under the new customer service center and back office system vendor contracts.

WSDOT - Ferries Operating

The WSDOT Ferries Operating program is responsible for operating the state ferry system, including 22 vessels and 20 terminals. The Chair's proposal provides an additional \$1.9 million for training initiatives related to the use of navigational equipment and United States Coast Guard-mandated training. In addition, \$75,000 is provided to study options to improve loading at the Fauntleroy terminal and another \$25,000 for additional uniformed traffic assistance at Fauntleroy.

WSDOT Rail Operating

The WSDOT Rail Operating program supports the Amtrak Cascades passenger rail operation and the maintenance of the rolling stock. \$1.2 million is provided for an ultra-high-speed (UHS) ground transportation study (\$600,000 private/local and \$600,000 state) to provide an investment grade analysis of UHS ground transportation. The initiative builds off of the study on the same topic funded in the 2017-19 biennial budget.

WSDOT Public Transportation

The WSDOT Public Transportation program administers grant programs to local transit entities and coordinates the commute trip reduction program at agencies and local governments. \$11.6 million is provided for grants for work originally scheduled for completion in the 2015-17 biennium.

WSDOT Transportation Planning, Data, and Research

The WSDOT Transportation Planning, Data, and Research program is responsible for developing the state's multimodal system plan, conducting corridor and other studies, and providing transportation-related policy research. The Chair's proposal provides nearly \$1 million in spending authority for four new studies to examine lane expansion along SR 167, high vehicle volumes and delays in the SR 518 corridor, bridge joint sound mitigation, and the SR 162 and SR 410 interchange. In addition, funding for the Regional Transportation Planning Organization (RTPOs) is increased by \$500,000, reflecting the addition of two new RTPOs.

Transportation Commission

The Transportation Commission is responsible for setting toll and ferry fare rates, for developing the statewide transportation plan, and for undertaking specific policy research. With \$4.6 million in federal grant funding provided in the Chair's proposal via the WSDOT Planning Program, the Commission will administer a 12-month road usage charge pilot to explore the viability of a road usage charge as a possible replacement for the state gas tax. In addition, the Commission will administer a joint legislative and executive branch work group related to autonomous vehicles.

Joint Transportation Committee

The Joint Transportation Committee is responsible for conducting research at the direction of the Legislature. The Chair's proposal includes funding for three new studies. For a transit capital study, the JTC will assess the capital needs of public transportation systems operated by various transit authorities to inventory each agency's fleet and facilities, identify replacement and expansion needs of the fleets and facilities, and identify current and potential future funding sources for these agencies. For a city transportation funding study, the JTC will identify emerging issues and recommend funding sources to meet current and future needs. For a commercial driver's license medical certificates study, the JTC will consult with the Department of Licensing to assess opportunities for improving the ability of commercial driver's license holders and applicants to obtain commercial driver's license medical certifications and certification waivers, when appropriate, where the state has the ability to deviate from federal standards.