
2008 Conference Transportation Budget

**Senator Mary Margaret Haugen, Chair
Senate Transportation Committee**

**Representative Judy Clibborn, Chair
House Transportation Committee**

**Budget Highlights
Budget Bill – ESHB 2878
Agency Detail
Project Lists**

2008 Supplemental Transportation Budget Conference Report Summary

Accountability and Project Delivery

The 2008 Supplemental Budget preserves the priorities established by the 2003 and 2005 transportation packages and extends the accountability mechanisms established in those packages to the Washington State Ferry system.

Project delivery is on track. The 2003 Nickel plan is halfway through completion, resulting in improved highway safety and traffic flow. To date, 89 Nickel projects and 36 projects from the 2005 Transportation Partnership Act (TPA) have been completed, for a total of \$1.3 billion. Currently there are 57 Nickel & TPA projects under construction or advertised for construction.

By March 31, 2008, more than half of the projects funded by the Nickel and TPA accounts will either be under construction or completed. The Department of Transportation expects to advertise an additional 43 projects, totaling \$400 million, over the next six months.

Examples of completed projects from around the state include the following:

- SR 270/Pullman to Idaho State Line - Add Lanes (Whitman) \$31.2M
- I-405/SR 520 to SR 522 - Widening (King) \$81.8M
- SR 543/I-5 to Canadian Border -Add Lanes (Whatcom) \$50.8M
- I-5/Salmon Creek to I-205 - Widening (Clark) \$44.6M
- SR 16/I-5 to Tacoma Narrows Bridge - Add HOV Lanes (Pierce) \$118.1M
- SR 31/Metaline Falls to Canadian Border - All Weather Road (Pend Oreille) \$17.4M

By 2006, the Legislature recognized that the performance demanded of the highway system should also be expected of the Washington State Ferry system. The Joint Transportation Committee's Ferry Finance Study is continuing through 2008 and has established a process to ensure that the Washington State Ferry system identifies the most efficient balance between operating and capital needs. This budget and SSB 6932 implement some of the initial recommendations of the latest JTC study, which have already yielded results -- the Legislature directed that the Washington State Ferry system develop and maintain a vessel rebuild and replacement plan, as well as a vessel maintenance and preservation program.

2008 Budget Conditions

Since enactment of the 2007-09 biennial budget, economic conditions have changed. State and federal fuel tax revenues have fallen by nearly 4% since 2007, and project costs have increased approximately \$300 million since Spring of 2007. The February Revenue Forecast projects long-term fuel price increases and a reduction in revenue that supports the transportation system. The overall impact of these changes reduces transportation related revenues by nearly \$1.5 billion over the 16-year forecast horizon.

In response to current economic conditions, the Federal Reserve Board lowered interest rates, which lowers estimated borrowing costs. This allows for the issuance of nearly \$90 million in additional bonds over the life of the 16-year transportation financial plan.

Examples of project cost increases over the 2007-08 interim include the following:

2007 Adopted Project List compare to 2008 Conference: Increases over \$5M (\$ in Millions)

District	Project Title	2007 Adopted 16 yr Total	2008 Conference 16 yr Total	\$ Increase from 2007
25, 27, 29	Remaining Tacoma HOV Lanes Corridor: Tacoma Narrows Bridge to Port of Tacoma	\$996.1	\$1,145.6	\$132.9
01, 41, 45, 48	I-405/SR 520 to SR 527 - Widening Stage 2	\$75.4	\$104.4	\$29.0
13	I-90/Snoqualmie Pass East - Hyak to Keechelus Dam	\$525.0	\$545.0	\$20.0
25, 27	I-5/Port of Tacoma Interchange - Rebuild Interchange	\$41.7	\$58.3	\$16.6
01	SR 522/University of Washington Bothell - Off Ramp	\$31.4	\$47.1	\$15.8
11, 37	I-405/SR 181 to SR 167 - Widening	\$130.9	\$142.8	\$11.9
38	SR 529/Ebey Slough Bridge - Replace Bridge	\$33.9	\$44.0	\$10.1
04	I-90/Spokane Port of Entry - Weigh Station Relocation	\$6.4	\$16.3	\$9.8
11, 37	I-405/SR 515 - New Interchange	\$113.4	\$121.8	\$8.5
10, 40	SR 20/Fredonia to I-5 - Add Lanes Stages 1,2 &3	\$109.9	\$118.2	\$8.3
39	SR 522/Snohomish River Bridge to US 2 - Add Lanes	\$169.1	\$176.5	\$7.4
20	I-5/Grand Mound to Maytown Stage One - Add Lanes	\$88.0	\$95.1	\$7.1
10, 40	SR 20/Quiet Cove Rd Vicinity to SR 20 Spur - Widening	\$25.7	\$32.3	\$6.6
41	SR 900/SE 78th St Vic to I-90 Vic - Widening	\$40.8	\$45.9	\$5.1
42	SR 539/Tenmile Road to SR 546 - Widening	\$101.6	\$106.7	\$5.1
		\$2,489.3	\$2,800.1	\$294.2

Selected Highlights of the 2008 Supplemental Transportation Budget

Department of Transportation

- Continuation of the \$915 million “early action” items on the Alaska Way Viaduct, including identification of mitigation projects
 - Provides transit enhancement during construction
 - Includes Spokane Street viaduct contribution
- SR 519 connection from Port of Seattle to I-90 is fully funded for design/build
- \$550 thousand for independent review of I-90 light rail impacts
- \$18.5 million for increased fuel costs for ferries, WSDOT and WSP
- \$3 million of state funds for matching federal flood assistance
- \$150 thousand for a telework pilot in the Commute Trip Reduction Program
- \$3.2 million reduction in the Tacoma Narrows Bridge management
- \$3.25 million increase in snow and ice removal
- \$14 million in funding for project safety improvements on US 2
- \$26.9 million for concrete median barriers on I-5 near Marysville
- \$19.7 million to correct fish passage barriers not connected to other projects
- \$3.2 million for storm water permit requirements
- \$110 thousand is provided for corrective action on SR 522 near Lake Forest Park
- Department must measure and report maintenance backlog
- Department must develop procedures and rules for asphalt recycling

Washington State Ferry System

- \$85 million for 3 vessels to replace the Steel Electric ferries
- \$15 million for refurbishment of the ferry Hyak
- \$283 million for 3 new ferries that carry 144 vehicles each
- \$6.3 million to improve ferry engine emission and fuel efficiency
- \$250 thousand to continue the JTC ferry system cost study and \$205 thousand for the Transportation Commission to develop options to address the revenue shortfall in the ferry system
- Department is directed to review ferry accident and incident investigations
- A hiring cap in the capital program is imposed for the remainder of the biennium
- \$3.4 million in toll credits for Passenger Ferries operated by local government
- Savings in the ferry system of \$4.9 million from reductions in staff and consultants
- The moratorium on ferry fare increases remains in effect

Other Transportation Agencies

- 6 additional State Troopers assigned to the US 2 corridor
- \$1.3 million for WSP land purchase at the Shelton academy
- \$100 thousand study of State Patrol retirement system
- \$76 thousand to OSPI for a road safety education pilot
- \$3.55 million additional funds for implementation of Enhanced Drivers License
- \$417 thousand for E2SHB 3254, Ignition Interlock Devices
- \$100 thousand for an additional transportation archeologist

Major differences between the House floor, the Senate floor and the Conference budgets are outlined in the following spreadsheets.