

**Southwest Washington Regional Transportation Council  
Board of Directors  
June 5, 2018, Meeting Minutes**

**I. Call to Order and Roll Call of Members**

The Southwest Washington Regional Transportation Council Board of Directors Meeting was called to order by Chair Ron Onslow on Tuesday, June 5, 2018, at 4:00 p.m. at the Clark County Public Service Center Sixth Floor Training Room, 1300 Franklin Street, Vancouver, Washington. The meeting was televised and recorded by CVTV. Attendance follows.

Voting Board Members Present:

Marc Boldt, Clark County Councilor  
Shirley Craddick, Metro Councilor  
Shawn Donaghy, C-TRAN Exec. Director/CEO  
Bart Hansen, Vancouver Councilmember  
Jim Herman, Port of Klickitat Commissioner  
Scott Hughes, Port of Ridgefield Commissioner  
Tom Lannen, Skamania County Commissioner  
Anne McEnery-Ogle, Vancouver Mayor  
Ron Onslow, Ridgefield Councilmember  
Mandy Putney, ODOT (alternate)  
Eileen Quiring, Clark County Councilor  
Melissa Smith, Camas Councilmember  
Jeanne Stewart, Clark County Councilor  
Kris Strickler, WSDOT Regional Administrator

Voting Board Members Absent:

Rian Windsheimer, ODOT Region 1 Manager

Nonvoting Board Members Present:

Nonvoting Board Members Absent:

Curtis King, Senator 14<sup>th</sup> District  
Norm Johnson, Representative 14<sup>th</sup> District  
Gina McCabe, Representative 14<sup>th</sup> District  
Lynda Wilson, Senator 17<sup>th</sup> District  
Paul Harris, Representative 17<sup>th</sup> District  
Vicki Kraft, Representative 17<sup>th</sup> District  
Ann Rivers, Senator 18<sup>th</sup> District  
Liz Pike, Representative 18<sup>th</sup> District  
Brandon Vick, Representative 18<sup>th</sup> District  
John Braun, Senator 20<sup>th</sup> District  
Richard DeBolt, Representative 20<sup>th</sup> District  
Ed Orcutt, Representative 20<sup>th</sup> District  
Annette Cleveland, Senator 49<sup>th</sup> District  
Monica Stonier, Representative 49<sup>th</sup> District  
Sharon Wylie, Representative 49<sup>th</sup> District

Guests Present:

Ron Arp, Identity Clark County  
Ed Barnes, Citizen  
Chris Brown, Clark County Today  
Liz Campbell, Citizen  
Josh Egan, Citizen  
Carley Francis, WSDOT  
Sorin Garber, SGA  
Jim Hagar, Port of Vancouver  
Eric Holt, Citizen  
Larry Keister, Port of Camas-Washougal Commissioner  
Sarah Kohout, Rep. Stonier's Office  
Dale Lewis, Congresswoman Herrera Beutler's Office  
John Ley, Citizen  
Jim Moeller, Citizen  
Diane O'Regan, C-TRAN  
Paul Parker, WA Transportation Commission Deputy Dir.  
Scott Patterson, C-TRAN  
Mike Pond, Citizen  
Ty Stober, Vancouver Councilmember  
Marc Thornsbury, Port of Klickitat  
Carter Timmerman, WSDOT, HQ  
Neal Walker, Citizen

Staff Present:

Matt Ransom, Executive Director  
Ted Gathe, Legal Counsel  
Lynda David, Senior Transportation Planner  
Mark Harrington, Senior Transportation Planner  
Bob Hart, Transportation Section Supervisor  
Dale Robins, Senior Transportation Planner  
Diane Workman, Administrative Assistant

## **II. Approval of the Board Agenda**

Chair Onslow said the Executive Director had some proposals to amend the agenda. Mr. Ransom said Consent Agenda item C, the Inter Municipality Lease between RTC and Clark County, he recommended that item be pulled. Mr. Ransom said they are moving their office from the fourth floor to the first floor. In discussions with the County, they recommend that RTC remain on the month to month lease through the end of the year, and they would update the lease structure for January 2019. The second proposed amendment is to cancel the July 3 RTC Board meeting. August 7 would be the next meeting, and it will be held at Vancouver City Hall.

ANNE MCENERNY-OGLE MOVED FOR APPROVAL OF THE AGENDA WITH THE STATED AMENDMENTS TO THE JUNE 5, 2018 MEETING AGENDA. THE MOTION WAS SECONDED BY JEANNE STEWART AND UNANIMOUSLY APPROVED.

Shirley Craddick entered the meeting at 4:07 p.m.

## **III. Call for Public Comments**

John Ley from Camas spoke about Oregon tolling on I-5 and I-205.

Ed Barnes from Vancouver spoke about the need of a new I-5 Bridge.

## **IV. Approval of May 1, 2018, Minutes**

SHAWN DONAGHY MOVED FOR APPROVAL OF THE MAY 1, 2018, MINUTES. THE MOTION WAS SECONDED BY ANNE MCENERNY-OGLE AND UNANIMOUSLY APPROVED.

## **V. Consent Agenda**

### **A. June Claims**

### **B. Establishment of RTC Procurement Card, Resolution 06-18-11**

SHAWN DONAGHY MOVED FOR APPROVAL OF THE CONSENT AGENDA JUNE CLAIMS AND RESOLUTION 06-18-11, ESTABLISHMENT OF RTC PROCUREMENT CARD. THE MOTION WAS SECONDED BY TOM LANNEN AND UNANIMOUSLY APPROVED.

Jeanne Stewart asked Mr. Ransom when the Inter Municipality Lease would come back to the Board for approval. Mr. Ransom said it is expected to return no later than December. It would be on either the November or December agenda.

## **VI. Portland Metro Area Value Pricing Feasibility Analysis – Consideration of Input**

Matt Ransom referred to the memo included in the meeting packet. This is a proposed action item. He said the action, rather than a resolution, could be a simple motion or endorsement around the table that the comments submitted for the Board's consideration are to be conveyed and transmitted to the Oregon Transportation Commission and the Policy Advisory Committee to their current study. Those comments would serve as the framework for RTC's

continued engagement and consultation with ODOT for any number of years as they work their way through the process of further review, technical studies, etc. The purpose of the comments is to provide a framework for RTC to continue to engage and help the region decide what the most beneficial application would be should that move forward.

The RTC Board has been briefed since January, and they have had a couple of presentations from ODOT staff. They also have had presentations by staff reviewing funding, policy at state level and federal level attuning ourselves to the idea of how we are funding our transportation system. This also puts into perspective a study proposal in Oregon and how that materializes over time. They believe that they may apply to proceed with the proposal.

Specific to their study, they have been evaluating different concepts that they could apply to the freeway network on I-5 and I-205. Mr. Ransom said in his words, this is really a sketch level analysis that they have done. They have provided, with the consultant team, detailed traffic study review, and RTC has been a party to that in providing ex officio advice from a modeling perspective. They have done very cursory revenue projection analysis. Mr. Ransom said he believes this is the first sketch level analysis preceding what would then be very detailed work. When comparing the different concepts, A, B, C, D, and E, they are so different one to the other and those even that preceded it. The question that the study has been trying to evaluate would be among the range of options what may be something that they want to pursue. In thinking of our comments, he said his advocacy is to push forward comments that are strategic that really advocate our interest, but don't get caught up in concept "like" or "don't like", because as soon as they submit an application, that is what is in front of us and what we need to work with.

Mr. Ransom said presented in the memo is what they believe, based on the last Policy Advisory Committee meeting, what their consultant team is recommending to proceed with a concept for further study and perhaps application. Concept B is a value pricing project on I-5. It is pricing all lanes in both directions north of the I-405 bridge area and south through the Terwilliger curves. The consultant team is also recommending that additional consideration be given to a tolling concept to fund a project on I-205 at the Abernethy Bridge area in Oregon City.

The next step for ODOT in their study is to hold the final meeting of the Policy Advisory Committee on June 25. They expect to weigh in on the final recommendation. They have a Public Hearing scheduled for July 12 where the PAC will participate in a joint meeting with the Oregon Transportation Commission to transmit their project recommendations.

Mr. Ransom said one of the questions that they asked earlier this year, and ODOT has been responsive to this, is what the post July 12 decision making milestones are. They have produced a schedule listed on page 4 of the memo with the work for the Oregon Transportation Commission and ODOT for this fall through what is to be a proposed application to the FHWA by year end. RTC staff will be monitoring these milestones. The consultant produced a Roadmap to the Policy Advisory Committee at their most recent meeting. The Roadmap listed the major project phases and project milestones, which is likely to be several

years of process. It includes the NEPA analysis and review and studies along the way. Mr. Ransom said when looking at our involvement in this, we need to look from a long-term perspective. It might be years in the making, so they don't list dates. Mr. Ransom said they would provide input now, but then also how that input over time needs to have some staying power. He said between application and then final project if one proceeds, it is very likely that there will be finessing, changing, refining, and many processes. As we continue to monitor it, we need to be able to provide input as appropriate to ODOT to advance the regional system and bring forward improvements to the regional system.

Mr. Ransom said the comments were introduced in May and now again for the Board's endorsement on page 5 of the memo. The comments are structured under five distinct categories. RTC's interest is in a couple of key areas. As a Metropolitan Planning Organization RTC's interest is in helping advance regional system improvements. WSDOT and ODOT need to do the interstate system. RTC is also specifically asking for formal consultation so that when they initiate their NEPA process that they come to RTC as an MPO allowing an opportunity to confer agency to agency in a more formal basis. Regardless of mode or strategy, there is an opportunity here with a project to improve the regional system. RTC has a Regional Plan. Noteworthy among the projects identified is a project with both states interest which is the I-5 Bridge replacement. Also, we have an obligation to watch and request mitigation as it is appropriate for what might be applicable for residents, constituents, stakeholders here in Washington state. Nationally and internationally one of the key partners in any tolling conversation is transit. It is one of the key attributes to design into a system. Our C-TRAN director has experience from Texas to this effect. This comment supports the fact that RTC needs to be included at the table and C-TRAN needs to be a part of the mix for mitigation strategy. For system monitoring, it is logical before any project is put forward, what we are trying to accomplish and the outcomes should be conveyed to the public. Under the decision making comment, RTC intends to remain involved in monitoring and providing input. Disclosure of future project decision-making milestones and input opportunities should be communicated to regional and bi-state governmental agencies and the public at large.

With the Board's endorsement, these comments will be transmitted to the Policy Advisory Committee and ODOT for consideration at their June 25 meeting. Also, Mr. Ransom will make these comments in person at their public meeting on July 12. They will be transmitted under a cover letter that he will work with the RTC Chair and Vice Chair to compose. Mr. Ransom said staff will remain involved in this process and keep the Board informed of important milestones.

Scott Hughes asked how this project might affect any issues as far as the I-5 Bridge.

Mr. Ransom said with the number of people who cross the bridge, they have looked at rough numbers of those that might actually work their way down into a "zone" on the I-5 corridor. The numbers that they see from the regional model are less than half the crossings in the PM hour on the bridge actually come through the tolling zone as proposed. Those numbers in going back to the I-5 Columbia River Crossing project, there was a lot of work done at the time saying within the bridge influence area (a mile +/- on either side of the bridge), what is the

traffic characteristic. There was about 70% of the traffic in that zone either comes into the zone or leaves the zone. Mr. Ransom said he thought our interest and the interest of the region, both in Oregon and Washington, ODOT and WSDOT, would be that there are assets that need to be maintained and replaced. They are part of our Regional Plan to the extent any of us push an initiative forward that could impede that is an issue. Any of us to push an initiative forward that could help advance implementation sooner than later that is beneficial. The question for us from a policy and project standpoint would be is a future application. We will be asking how does that project concept help or impede what we have all agreed to which is that the bridge needs to be replaced. There are many layers of questions.

Scott Hughes asked if that could potentially shrink the financial responsibility for the I-5 Bridge because they are working on their end with their dollars. Mr. Ransom said that is a possibility. He said this is not an actual proposal. These are concepts. The work is not yet defined for an application.

Jeanne Stewart said these are comments from the RTC Board. She said the message is basically saying that tolling is inevitable and that we are agreeing with the ODOT consultants' framework and conclusion, and that ODOT has produced an outline for the upcoming process with the OTC through the proposed project application submission to FHWA, which is the approving body for the tolling system. Councilor Stewart asked if that was what this says.

Mr. Ransom said he didn't believe this directly endorses a proposal. As the Metropolitan Planning Organization, RTC has their Regional Plan. It is one of the key guiding documents of the organization. That Plan lays out improvements that we need to make, but our Plan doesn't cross over into Oregon. Jurisdictionally, we have an interest, and we need to be involved in interstate issues. Directly, we can offer comment and input, and the comments on page 5 attempt to do that, which is to say whatever concept they choose to proceed with, we think there is a need to implement regional projects; we think there is a need to have a fair and thought through regional mitigation strategy including bi-state. A key component on that and it is unique to this region, is that this is a bi-state region and that is an interstate highway system where folks travel back and forth across state lines. We have an interest in understanding what is to be done.

Jeanne Stewart said when a bi-state relationship is discussed, she is concerned that RTC has actually not been considered as an equal partner in the whole proposal for tolls. She said no one is asking if we think this is a good idea or the best idea. She said we were presented with what the other half of the bi-state relationship has as their plan for the interstate highways. Councilor Stewart said she didn't feel that we were dealing on an equal par; that we are reacting to someone else's proposal. She said she thought that RTC needs a stronger approach than that; than to just be complacent and say tolling is inevitable. Councilor Stewart said she has been concerned about that and continues to be concerned about that. She said as a Board, we probably have not participated in as active of way as we should have.

Eileen Quiring said in looking at the letter (comments), she thought it could be stronger. She said she thought it was very possible that on the first portion of partnership and consultation, they may come back with the fact that there are three members of the RTC on the PAC. Councilor Quiring said they are not on the PAC representing RTC; they are representing their own jurisdictions. She said it was unfortunate that RTC was not more a part of this from the very beginning, and she felt it should be stronger. She said she sees Concept B affecting SW Washington commuters more than any of the other Concepts, and she thinks that is what they are going to do. Councilor Quiring said she did not think ODOT has any notion that the I-5 Bridge will come into play in any way.

Mandy Putney said ODOT doesn't see any of the concepts as precluding future work on the I-5 Bridge.

Councilor Quiring asked if any of the toll funds would be going towards the I-5 Bridge.

Ms. Putney said they are not at a place to consider that process, and that ultimately is the decision of the Transportation Commission.

Scott Hughes said we really don't have a proposal, just ideas. He said he wouldn't mind having something that was generally against tolling, but he thought it should be general.

Matt Ransom emphasized that he doesn't discount the "what's next" question, but he also at the same time recognized that we don't even know what's next. There may not even be an application. The request for formal consultation is a specific request under NEPA. The true project will be defined through the NEPA process. The FHWA in Washington and Oregon work closely together. Interstate commerce is a federal issue. The burden is going to be on the Oregon Transportation Commission and ODOT to demonstrate to the Federal Highway division in totality that this is reasonable use and strategy for the interstate system. It should be stated clearly, and if it is not understood publically, there is not a single manifestation of a project that has been approved nationally that tolls existing roadways without converting HOV to HOT or adding a lane. It is permissive under federal statute. ODOT will have a high bar to cross. As we provide our comments, we are also going to be a participant in articulating we are interested and want to see them cross that bar in a way that is meaningful and equitable. We want to see a regionally significant project improvement plan that could include highway, transit, or other modes. If revenue is derived, there would have to be a place to put that revenue. The burden will be on the ODOT to prove that publically. The Oregon Transportation Commission has the latitude to design the project that they think makes the most sense.

Eileen Quiring said the problem is that they did not invite RTC in the beginning. She said it is right that they asked for RTC's input, but she said she doesn't think that they care. Of the 25 people on the committee, 3 are from the Washington side of the river. Councilor Quiring said it saddens her to say that.

Tom Lannen asked if there was precedence anywhere where someone has told Federal Highway to use the funds elsewhere.

Mr. Ransom said he did not know about toll collection across the wide array of projects that have been implemented in the nexus that the Federal Highway department or state DOT has put on the use of the funds. Most manifestations of tolling has been billed and priced to pay for. In a later presentation by a guest, the Board will hear how Washington State applies the managed demand as part of the strategy. This is not unique. Mr. Ransom offered the true value pricing demonstration proposal where existing lanes tolled without additional capacity expansion. There is not at present an example. He said there is a lot of work ahead, and he said they are committed as an organization to stay on top of this.

Shirley Craddick said the purpose of this memo is to summarize comments from the RTC to send to the OTC about the process of evaluating tolling for improving, influencing driving behavior. She asked if the memo would go in the format that it is in.

Mr. Ransom said no, that page 5 of the memo listing the comments would be attached to a cover letter.

Jeanne Stewart said that for Oregon to impose tolls, because it is a bi-state freeway, at some point the state of Washington needs to have bi-state agreement. She asked if that was true.

Mr. Ransom said he did not know. What will be seen from the Federal Highway department once ODOT submits an application is a response. That response will say, if you want to proceed to the next step and advance this, these things need to be done. It could include that they need to confer with their Washington partners and get their consent or it could not.

Jeanne Stewart said she was trying to figure out which agency or organization of Washington State would they go to to ask if they agree.

Kris Strickler said it really depends on the location of the tolls. It really is a legal framework versus a political framework, and they are two separate things. One is input as it relates to questions about impact and the NEPA process that ODOT will have to go through. The other is the legal portion of where the tolls will be collected. A rough example would be collecting a toll on the bridge would require an agreement between the two states, WSDOT and ODOT. Collection of a toll 15 miles south of the bridge would not necessarily require a legal framework between the two states. ODOT would be going through the NEPA process to evaluate impacts. Mr. Strickler said that is as he understands it.

Chair Onslow said the question has come up that if a certain area is tolled, does the money received from that go to that area or can it be used elsewhere on a federal highway?

Mr. Strickler said that is a tougher question to answer. Historically speaking, the Feds allow for tolling of new capacity, so that would be a bridge replacement project or some type of replacement project, or added capacity. Under special pilot programs, and Washington has one of the slots in the value pricing program, you do have the ability to toll existing capacity for congestion relief. The question becomes broader in the ability to spend those monies outside of a geographic boundary when you look at the toll entity and the types of improvements. There are toll operations elsewhere in the country that provide bus incentives, for example. It

is tough to argue that the money is all spent within the geographic boundary of the tolled area, but you could see the benefit of pulling those vehicles off on to a bus. Most of the toll projects that he is aware of do spend the money back in the same corridor of the geographic location.

Mr. Ransom responded to Councilor Stewart's question. He said by invoking the request for consultation through NEPA, we raise that question directly, and ODOT and FHWA will be obligated to respond. The response will be that they will consult, meaning more meaningful, substantive, consultation relationship during a NEPA study whether they grant the obligation that they need to agree or they just have to say they have to consult so they directly have a role as agency to agency relationship.

Chair Onslow said this area: Clark, Skamania, and Klickitat Counties are not in the Oregon Legislature. The Oregon Legislature can vote to do whatever they please in Oregon; just as we would not accept Oregon in the Washington Legislature. With that said, you need to look at some of the issues that they have on the concepts that they presented. One of them is the Abernethy Bridge. Mr. Onslow said that will not happen. He said the politics come into play. The other is that it does not include the I-5 Bridge. He said we need to look at these concepts pretty general, because we still don't have an answer of where they are going to go. Mr. Onslow said we need stronger words, but he was not sure pounding the table is going to solve anything or have them read the memo. He said when we present something to them we have to take into account of where we can put an influence and how we are going to influence them. This doesn't solve all of the problems that we have, but as Oregon decides or narrows their focus, then we can react to that focus.

Eileen Quiring said in talking about being strong, there are ways of being strong and being diplomatic at the same time and not pounding on tables. She said she was not talking about that, and she wants the memo to be read as well. Councilor Quiring said she has been sitting on the Policy Advisory Committee and has seen what has happened. She would like the memo as strong of words as they can and still have the memo read.

Shirley Craddick asked for clarification if each of the three Washington members that sit on the PAC can write a letter from their jurisdiction and weigh in that way. That was correct.

MELISSA SMITH MOVED TO PRESENT TO THE OREGON TRANSPORTATION COMMISSION AND ODOT THE RESPONSE TO THE VALUE PRICING FEASIBILITY ANALYSIS. THE MOTION WAS SECONDED BY ANNE MCENERNY-OGLE.

Jeanne Stewart requested a roll call vote.

THE MOTION WAS APPROVED WITH 12 YES VOTES; 1 NO VOTE, STEWART; AND 1 ABSTAIN, PUTNEY.

Chair Onslow said a cover letter will go along with the page 5 comments with him and Matt as signatories. Mr. Ransom would circulate the letter to members before sending to the PAC prior to their June 25 meeting and to the OTC. Mr. Ransom said he would introduce the comments formally at the July 12 joint meeting.

## **VII. 2017 Congestion Management Process – Initial Data and Summary Report**

Mr. Ransom said that given the time constraints, staff would provide brief presentations. The Congestion Management Report will return for further presentation and discussion at the August meeting.

Dale Robins referred to the memo included in the meeting packet along with the attached Draft Summary Report. The Summary Report contains new data, and he asked that members review the new data prior to the August meeting. Mr. Robins noted that in the 2017 Report, they tried to have a greater focus on the needs of the arterial system rather than just focusing on the same corridors that are extremely busy, such as the I-5 Bridge.

Overall, the data shows that congestion is getting worse, the economy is expanding, and we are seeing greater delays in the regional system. They identified a few key things that need to happen given what was seen from the data. The region needs to work towards replacement of the I-5 Bridge; that has not gone away. It is the major project that they need to tackle. The Interstate and state highway system is the backbone of the regional transportation system: I-5, I-205, and SR-14 are the major volume carriers in the region. There are some key bottlenecks that need to be funded. Mr. Robins said it will probably take the Legislature to fund those projects.

Local agencies need staff and funding to address corridor operation improvements. This will allow agencies to be proactive rather than reactive to traffic issues. High volume intersections are becoming bottlenecks. Often the solution might be a high cost solution, and the local agencies probably need to look at cost effective creative solutions that could help those high volume intersections not be such bottlenecks in the region. The region needs to continue to invest to bring rural roads up to urban standards. There are still major arterials with two lanes and ditches on either side that are carrying very much urban traffic. They need to look at transportation system management, transportation demand management, and transit needs. Transit needs to be part of the regional solution as they deal with traffic.

Mr. Robins said a list of projects is included in the Summary Report, and it is noted if they are funded or not or partially funded. This item will be brought back to the Board at their August meeting with a full report and look for action by the RTC Board.

Mayor McEnery-Ogle said she wanted to advise her colleagues as they are looking at the data to please pay particular attention to everything on SR-500, especially around 42<sup>nd</sup> and Falk and 54<sup>th</sup> and Stapleton.

Marc Boldt echoed what the Mayor said. He also questioned that the list asks for grade separation, but they are planning to put in barricades.

Kris Strickler addressed the question. He said many around the table have been involved in discussions for 42<sup>nd</sup> and 54<sup>th</sup> at SR-500 for years. He said it has been well more than a decade that they as a department and we as a region have been looking at that area to provide either grade separation or interchange or both at both of those intersections. The difficulty there is

twofold: one is as they start to apply a practical approach to what the least cost need within those intersection areas and what the impact associated with that is. That would dictate a process of talking with the community and looking at potential build concepts. In the past 10+ years, they haven't had funding in order to go forward with that process nor did they have funding for a full build related alternative. Since that time, they have seen a dramatic increase in traffic. Some of the early work from RTC, which he said the data from RTC is great to look at as it relates to corridors, shows a dramatic increase in volumes. The volume going through the SR-500 corridor with the two signalized intersections really has a driver expectation where people are traveling at high speeds and coming to a stop condition. The result of that has been 400 crashes in about a 4 ½ year period. Because they have seen the dramatic increase in crashes, they believe they have a diligence as an agency to at least have a conversation about what options are within their current control for funding versus what the long term options that might be available with legislative assistance.

Mr. Strickler said he believed that they have an obligation to at least have the conversation about the potential remedies that they could bring to the table to see what might be accepted for the near term remedies while still having a longer term discussion about what the long term corridor needs are.

Shirley Craddick said her question is around the identified needs, and it probably will be addressed at the August meeting. She said there is reference to county-wide transit and bi-state transit and asked if there were more specific plans than that about specific routes that they might want to get implemented that might supplement the challenges of some of the roads.

Mr. Robins said it is what C-TRAN has in their Transit Development Plan, their long range plan, implementing those: adding additional bus service as they see fit on the bi-state corridors within the region.

Councilor Craddick said the specifics of that might need to be listed in the report.

Mr. Ransom said they would return in August with a full report.

### **VIII. Regional Transportation Plan for Clark County – 2018 Update, Preliminary Review of Finance Plan**

Matt Ransom said as part of the RTP update process, the 20 year Plan has to be fiscally constrained. They are starting to work on the projections and forecasts and wanted to introduce a starting point today. RTC staff will be working with jurisdiction staff in validating numbers and forecasts. Later this fall they will put together a more complete forecast and comparing that with costs.

Bob Hart said Matt made the point of fiscally constrained, meaning that we need to demonstrate that revenues can match what is in the Plan. He displayed a table listing the current Transportation Revenue Sources. The federal gas tax is 18.4 cents; it has been the same for 25 years. On the state level; it has been a lot different. They have passed three gas taxes

since 2003. It is currently 49.4 cents. C-TRAN's sales tax is .7%, and they have the ability to go up to .9% sales tax with a vote for transit districts. Local funding options include: property taxes, general fund appropriations, state gas tax distributions, and other sources. There is also the Transportation Benefit Districts (TBD) which was passed and authorized in 2005 by the State. It authorizes cities and counties to form TBDs to help fund local transportation. There are currently about 90 statewide. They can use a vehicle registration fee for local use or a sales tax. Both Battle Ground and Vancouver have implemented those; Battle Ground in 2015, and Vancouver has a second fee going up in 2018.

Mr. Hart noted some future revenue trends. He said not all federal and state revenues generated here are distributed back for use in this region. Clark County has received about 80% back of the revenue generated. Gas tax is flat and does not keep pace with inflation. Since the last federal gas tax increase, inflation has gone up almost 65%. In addition, because of the static state of the federal gas tax, the federal share of gas tax has gone down since 2003 as well. The federal share of gas tax prior to 2003 was 44% of the total gas tax in the state. Now, it is 27%.

Information from the Office of Financial Management (OFM) was presented. The forecast of Washington passenger cars registered in Washington State with the base year of 2019 is about 5.3 million to 6.1 million in 2029. The new federal mileage standards called CAFE standards show that in 2014, it was about 35 MPG; in 2015 it is going to 54.5 MPG. With those two factors and looking at fuel consumption, that is pretty flat. In 2019, it is almost 3 billion gallons per year in the state to 3.1 billion in 2029. The fuel consumption is pretty flat overall.

Mr. Hart highlighted the Gross state gas tax revenue and Federal revenue to Washington from 2019 to 2029. In light of all that, apart from what the federal standard is for mileage, it may be that the manufacturers outpace what the mileage standards are by the federal government. By 2025, Bloomberg New Energy is forecasting about 9% of new vehicle sales in the U.S. will be all electric vehicles; by 2040 that goes up to about 60%. That trend is also seen with Volvo, who is going to sell only electric vehicles and hybrids in the 2019 model year; by 2025 Toyota is going to sell only electric vehicles. Electric vehicles could accelerate faster than we anticipated right now.

When the 2014 RTP update was done, they had a shortfall of about \$150 million of revenue that was needed to fund what was listed in their Plan; therefore, the financial forecast assumed the equivalent of a 4.5 cent gas tax increase for the fiscally constrained Plan. If they have that happen this year, they will talk about gas tax again; but because of those trends and the fact that other areas are recognizing the same issue, they will need to look at new revenue options and talk about those more. This would include things like tolls or mileage based fees for capital projects. Mr. Hart said they will be working on the revenue forecast over the summer. RTC staff will review the information and share it with local agencies to get their concurrence on what is being done. This will come back before the Board later in the year to share the revenue forecast and talk about other funding options besides gas tax. Mr. Hart said as a good example, the Puget Sound's Regional Plan has assumed that the first ten years of their Plan is purely gas

tax primarily; the second ten years, they see other funding options as being inevitable to talk about.

Marc Boldt said in order to get a little bit of increase we are going to have to have an increase in the amount of vehicles. He said he would be interested in the fact that the maintenance and preservation dollars would go way up with the number of vehicles. He said he would be interested in how much they would have to pay for the extra vehicles.

Mr. Hart said that was a good point. He had skipped over that, but it is an important factor to maintenance and preservation and how those costs will increase over time, because of different maintenance where vehicles have an impact on the roadway.

### **IX. Washington Transportation Plan and Finance Trends**

Mr. Ransom introduced Paul Parker the Deputy Director for the Washington State Transportation Commission, professional staff to the Commission. He said they had invited Roy Jennings, a Washington State Transportation Commissioner that lives here locally and a former C-TRAN employee. Commissioner Jennings was unable to attend and participate, because he was attending several open houses in Seattle around the toll rate setting for the Alaskan Way Viaduct, which is the tunnel soon to open through downtown Seattle. Mr. Ransom said they invited Mr. Parker to provide a briefing on issues at the state level both the Plan update that they are working on with a focus on finance, with this being a strategic issue for us. Mr. Ransom said in part the invitation to Mr. Parker came from Councilor Boldt. Early this year, we had started talking about finance, trends, and history, and it was noted that the Commission provides a great overview of things. Mr. Ransom thanked Mr. Parker for coming from Olympia to provide the presentation.

Mr. Parker thanked Mr. Ransom for the invitation. He said the presentation is mainly going to focus on funding. The Washington State Transportation Commission is an independent, seven-member body appointed by the Governor, three from east of the mountains and four from the west. They are currently operating with six commissioners. They have a vacancy for an eastern Washington Commissioner. There are five staff members on the agency's staff. They propose transportation policy and finance recommendations to the Governor and the Legislature. They are the folks that set the tolls on state toll facilities and the fares for the ferries. They have the responsibility for doing the long-range 20-Year Statewide Transportation Plan, and they do outreach and meet in various locations around the state. They met here in Vancouver a couple years ago. They want to help provide outreach and education.

Mr. Parker said when they look at the statewide transportation system for planning purposes, they look at everything from city streets and sidewalks, county roads, the Columbia River barge transport system, as well as the state highway system, transit, what ports do, as well as all of the vehicles that use the rails, roads, and even airlines and bicycles.

Mr. Parker highlighted transportation funding basics. He said Federal gas tax money built 90% of the Interstate System that we have across the country today. Congress last increased the gas

tax in 1993, and since 2008, Congress has transferred over \$143 billion from the general fund to the Highway Trust Fund and Mass Transit Fund. The State gas tax provides about 40% of WSDOT's budget. In the past, the Puget Sound ferries were privately owned and operated until the state bought 16 vessels and 20 terminals in 1951. It has been a state operation for 75 years. Mr. Parker said they have had a lot of tolling in the past in the state primarily for large bridges and projects.

Today, most city and county transportation funding is generated locally: for cities, it is coming from sales tax, and for counties, it is from the county road share of the property tax. Over 80 cities in the state are collecting revenue from a Transportation Benefit District to provide funding for local needs. Federal funds contribute 8% to cities' and counties' transportation revenue. Cities' and counties' revenue also comes from the gas tax. Transit revenue typically comes from sales tax, fare box receipts, and federal and state grants. There are a few transit districts in the state that use property tax. Port revenue comes from user fees, leases, property tax, and grants. Mr. Parker said as they work on their long-range planning work, they look at all of these different revenue sources and expenditures.

The state transportation budget for this current biennium is \$9.48 billion. That is only about 9% of the total state budget. Mr. Parker highlighted the 16-year funding sources, the total state and local transportation revenue distribution statewide, and the distribution of state dollars.

The state has been using tolling increasingly as a revenue source for major projects. In 2002, the first tolling in a generation was authorized, and that was for tolling and building the new Tacoma Narrows Bridge; \$775 million worth of bonds were issued for that. It opened in July 2007. In 2008, the Legislature established a new statewide tolling policy and designated the Transportation Commission as the state tolling authority.

There are four different state agencies that have tolling roles and responsibilities under that 2008 structure. The Legislature is the place where tolling authority resides. They designate whether tolling is going happen, what the corridor is going to be, and how the revenue is going to be used. It then comes to the Transportation Commission to actually set toll rates and any related fees. The DOT operates the toll system, and they plan and construct the facilities. The State Treasurer has a role in issuing the bonds for the facilities and the debt. The Legislature has said the Alaskan Way tunnel replacement in Seattle is to generate \$200 million of the cost of the project. The State Treasurer has been involved in looking at the various costs of raising the money; what kind of tolls would be necessary to generate that money over a 25 or 30 year period.

Last year the State brought in over \$193 million with tolls. Ferry fares are bringing in \$381 million in the 2017 – 2019 biennium. That covers about 75% of the ferry operating costs. They look at three types of tolling projects in the State.

For the Tacoma Narrows Bridge, the tolling project was required simply to build the project. There is not enough traffic on that bridge currently to have different toll rates based on time of day or to have lower rates on the weekends or evenings. It is all about raising the money. Up

until now, there have also been fewer exemptions for different types of vehicles on the Tacoma Narrows Bridge than there have been on some of the other facilities.

A second type of tolling project is to manage traffic. There are two examples currently in the State: the I-405 Express Toll Lanes and the SR-167 High Occupant Toll (HOT) Lanes, which is from Renton, south to the Pierce County line near Puyallup. In those two places they have the opportunity if they are a single occupant vehicle to pay your way into a faster trip using the HOV lane. That is the traffic management aspect. Oregon has looked at that as a possibility in some of their tolling options.

The third type of tolling is to build a project and manage traffic; an example is the SR-520 Bridge. This new bridge across Lake Washington from Seattle to Bellevue has both elements of raising \$1 billion for the construction of the bridge plus managing the traffic. There are different rates at different times of the day.

The newest toll facilities include the I-405 Express Toll Lanes from Lynnwood to Bellevue that opened in September 2015, and they anticipate the tunnel under Seattle to open fall of 2018.

There are three additional projects to be tolled, but the tolling is not yet authorized formally by the Legislature. The Gateway Program is two different projects but one program. It is completing SR-509 to I-5 where it currently ends at the southern end of SeaTac Airport. The other part is completing SR-167 from Puyallup up to the Port of Tacoma. An additional project is continuing the I-405 Express Toll Lanes south from Bellevue to Renton. They will connect up with SR-167 HOT lanes that are there.

The Legislature did previously authorize tolling for a project that was cancelled for the Columbia River Crossing. The agreement between the Washington Commission and the Oregon Transportation Commission on the toll setting process for that project, if it is resurrected, remains in place.

In looking to the future, one of the Commission's planning roles is to develop and update the statewide Plan every four years. Mr. Parker said they are in that process now and that Matt has been working with them on that. In the next update, the things that they are looking at as key policy areas include: resiliency in the face of climate change and natural disasters, particularly looking at earthquake and tsunami risks; how technology is going to change transportation, from autonomous vehicles to connected vehicles, impacts with trucking, and companies looking at putting stores on wheels (autonomous vehicles with basic grocery supplies); funding sustainability is also being looked at. Mr. Parker said as a side note that there is a Legislator that has proposed having Starbucks lease some of the toll booth facility at the Tacoma Narrows Bridge since not all booths are in use.

Mr. Parker said they are looking at population growth and demographics, just as RTC is looking at that in their own region. Statewide they are going to be adding 1 million people in the next ten years. Migration is going to be a main contributor to state population growth, as well as people in this region having children. The State's population is aging rapidly. The population of 65 and older is going to be changing from 2010 at 12%, to nearly doubling in 2040 at 22%. The

population of 85 and older will be changing from 1.7% currently to 4.3% in 2040. This will have significant ramifications for transportation planning.

Congestion is not going away. The Secretary of Transportation asked his staff how many miles of new highway they would need to build for people to be able to drive at the posted speed limit at all times of the day in the Puget Sound area, the Clark County area, and the Spokane County area. The answer was they would have to build about 451 new lane miles just in those three areas. The cost would be about \$115 billion, and to do that would require somewhere between \$2.20 to \$2.50 gas tax increase. That is not looking at the additional 1 million people coming into the state; that is looking at what we have today.

Mr. Parker said they have borrowed a lot of money based on the existing gas tax receipts to pay for the bonds that they have been issuing to build things. They have been able to get new projects built and operating much quicker than if they were taking the gas tax in and spending it on a yearly basis. What that means is that today they are at about 52% of the gas tax revenue that is coming into DOT is already counted for and paying for bonds that have been issued, but that is expected to go up to about 70 or 71% by the year 2027.

At the current state average, the current vehicle is getting about 20.5 miles per gallon. If that increases to 35 mpg as estimated by 2035, that means that currently today if you took all of the miles driven in the state and divided that by the 20.5 mpg, you would have a per mile charge of 2.4 cents per mile. By 2035, that would drop to about 1.4 cents. This shows a decline in revenue that is significant over time.

Mr. Parker addressed possible funding solutions. At the direction of the Legislature starting in 2012, the Commission has been doing a study looking at whether a road usage charge would be a viable future revenue source. It is a per mile charge. The state of Oregon has authorized that. There are about 1,000 people/drivers in Oregon who are now paying by the mile rather than by the gallon of gas that they buy. It is interesting that a lot of those Oregon drivers are driving electric vehicles, so they are paying a greater share than they would be otherwise.

Washington and Oregon are not alone. The state of California has done a pilot program, Utah and Colorado have them underway, and all of these western states are working together to take a look at some of the ramifications of a road usage charge if that got implemented on a national or regional level. Hawaii is also preparing to do a pilot on road usage charging.

Mr. Parker said they concluded that it could be a sustainable, long-term revenue source for Washington State's transportation system. They have a big Steering Committee that is working on it. Representative Orcutt from this area has been involved with the Steering Committee along with Senator Rivers. One of the things that the Steering committee has decided is that people have to have a choice as to how their mileage information can be collected and paid. If the Legislature decides to move toward a road usage charge, they strongly recommend that drivers would pay one or the other, but never both. For purposes of assessing a gas tax against a road usage charge, they have assumed revenue neutrality and not looked at it as potential additional funding source, but a way to collect the same amount of money.

Through their assessment since 2012, they have discovered that taxing gallons has fairness and equity challenges. Going back to the 20.5 MPG average, vehicles that are below that MPG average are paying more fuel tax per mile driven than people who have more fuel efficient vehicles who pay less fuel tax per mile. In looking at an array of vehicles, they compared the cost of gas tax or road usage charge (RUC) if all vehicles drove 1,000 miles a month. A vehicle with 15 MPG would pay \$9 less/month with RUC and a vehicle with 50 MPG would pay \$14 more in RUC. People have said this is unfair and taking away an incentive to buy a fuel efficient vehicle. A second chart showed how much the average vehicle would be paying for those 1,000 miles for the fuel cost plus the RUC. Each vehicle pays the same amount for the RUC, so it is still more advantageous to drive a more fuel efficient vehicle and everyone would be paying the same amount to use the road system.

Mr. Parker said they received federal funding to do a pilot that is underway. It is about 2,000 participants from different parts of the state. Matt Ransom is involved in this. About 5,000 people applied to be in it; they only had room for 2,000. They worked to get geographic balance from the different areas of the state. Five mileage reporting options are being tested. They range from high-tech to no-tech. The no-tech option is simply a mileage permit. You say you think you will be driving 3,000 miles over the next three months, so you get a permit that says you paid to drive the 3,000 miles and you are covered. The high-tech options are two different plugin devices that you can get. One automatically reports the mileage, but it does not have a GPS connection, so the mileage information is being sent back to the company that is keeping track of this, but not where you are traveling. The plugin device with GPS knows when you have left the state either to cross the bridge to go to Oregon or cross the border to go to British Columbia. It deducts those miles from what is being reported back. There is also a smartphone app which connects with odometer reading and each month you can take a picture of your odometer and send it into that vendor and they know how many miles you have driven. Mr. Parker said these are different options; several of them have also been tested in California and Oregon, but they want to find out how people in Washington respond to these, if some are better than others, or some that collect better than others. There is no money actually changing hands in this pilot. It is a paper exercise except for a small number of people (10-20) where they have engaged with people in an Oregon pilot so that they get an idea if they can actually account for money changing hands between two states that have different systems in place. An invoice is received each month that notes your mileage and your road usage charge, but based on the type of vehicle that you are driving they know what you have paid in gas tax for that many miles, so you either get a deduct from the charge or an extra charge.

Mr. Parker said for funding in the future, Washington State like many others in the federal government are looking more and more at public private partnership opportunities. They have used that to build some of the electric vehicle infrastructure in the state. There is now an assessment being done to determine whether there are opportunities to work with the private sector on doing improvements and reconstruction for a couple of the ferry terminals. There is a big project in Snohomish County that doesn't have any money allocated for it in the Connecting Washington package, so they are looking at whether there could be a public private partnership

to rebuild part of the US 2 Trestle. Also, park and ride lots and the opportunity to do some transportation oriented development with them and also increase the number and opportunity of park and ride spaces.

Mr. Parker said these are some of the things that they are working on their long-range plan and things that this region may want to know about as they move forward with theirs.

## **X. Other Business**

### From the Board

Mandy Putney said at the last meeting there were some questions about construction activities in Oregon. She distributed copies of their construction map.

Kris Strickler said that Bart Gernhart has been attending the RTC Board and has been the alternate for 15-20 years. Mr. Strickler said they have had a recent retirement by their Maintenance and Operations / Assistant Regional Administrator, Doug Ficco, and Bart Gernhart is moving in to take over Maintenance. They will be designating a new alternate, Carley Francis, Planning Director.

### From the Director

Mr. Ransom said he would finalize the cover letter to go with the comments for the Value Pricing PAC and distribute it to the Board prior to the PAC meeting. He would also attend the joint meeting of the Oregon Transportation Commission and the PAC and present those comments on July 12.

Mr. Ransom said in talking with Jim Herman prior to the meeting, he has a memento that is appropriate to today's discussion since they have been talking a lot about tolling. He invited the Commissioner to share this with the Board.

Commissioner Herman said in 1964-65, he was attending Clark College. He said the other day he found an old toll coin for the I-5 Bridge. He said he wanted to donate it to RTC. Mr. Ransom thanked him and said this is the first contribution for some type of future tolling project. The token said "Vancouver Portland Toll Bridge". It was noted that the cost at that time was 15 cents.

The July 3, 2018, RTC Board meeting is canceled. The next RTC Board meeting will be held on Tuesday, August 7, 2018, at 4 p.m. at Vancouver City Hall Aspen Room.

## **XI. Adjourn**

The meeting was adjourned at 5:50 p.m.