

Jan. 17, 2019

2019–21

Gov. Inslee's Transportation Budget

OFM

OFFICE OF FINANCIAL MANAGEMENT



Governor's Transportation Budget Highlights

- Overall fuel tax and fee revenues are up slightly since the 2018 supplemental budget
- Continues implementation of Connecting Washington projects
- Winding down Nickel and TPA projects
- Funds necessary maintenance level, compensation packages
- Begins funding of the ferry long-range plan
- Funds the fish passage barrier injunction

WSDOT Improvement/Preservation Highlights

- \$29,181,000 – SR 167/SR 410 to SR 18 – congestion management
- \$43,000,000 – SR 99/Alaskan Way Viaduct
- \$3,521,000 – SR 99/Viaduct project transit mitigation
- \$8,000,000 – I-405/NE 132nd interchange Totem Lake
- \$17,500,000 – I-5/Columbia River Bridge office

WSDOT — Worker Safety

- **\$3,681,000** – Creates an asbestos safety program for WSDOT facilities.
- **\$485,000** – Provides safety equipment to protect against electrical arc flashes.
- **\$900,000** – Provides clothing and equipment to eliminate/reduce exposure to respirable silica.
- **\$750,000** – Hires two additional industrial hygienists and contractor services to analyze, identify and measure workplace hazards or stressors that can cause disease or impaired health.

WSDOT Practical Solutions

\$13M for a new program that cuts across WSDOT programs to deliver these items:

- Bike/walkable solutions that provide connectivity to alternative transportation modes
- Traffic operations for a more efficient system, including more ramp metering, hard shoulder running and other low-cost solutions
- Commute trip reduction/traffic demand management to reduce demand on the system to improve overall mobility and encourage alternate modes of transport

WSDOT — Highway Maintenance & Operations

- **\$1,782,000 – Maintain I-405 express toll lanes**
Funds continued expansion of I-405.
- **\$5,000,000 – Snow and ice contingency**
Creates a contingency for snow and ice removal.
- **\$834,000 – Right-of-way cleanup**
Creates a 3-person dedicated maintenance crew to provide right-of-way cleanup associated with the impacts of homelessness in the Seattle region.

WSDOT — Traffic Operations

- **\$3,000,000 – Cooperative automated transportation**
Creates a new program for emerging automated transportation technology. Includes funding for FTEs to staff the program and for emergent low-cost projects.

WSDOT — Management & Support

- **\$500,000 – Stabilizing the construction workforce**
Allows the Pre-Apprenticeship & Supportive Services grant program to increase the number of people prepared to work in the heavy construction labor force.
- **\$331,000 – Transportation safety analysis**
Additional federal and safety performance targets have created new analysis work. Funding is for dedicated staff to incorporate safety analysis in all phases of planning, programming, design and operations.
- **\$500,000 – Work zone safety grants**
Ongoing expenditure authority for WSDOT to accept donations from partners and expand their work zone safety awareness program.
- **\$777,000 – WSDOT website optimization**
Funds a user-centered redesign of the WSDOT website.

WSDOT — Information Technology

- **\$11,717,000 — Labor system replacement**
Funds second wave of the labor system replacement project; ferry system.
- **\$7,107,000 — Financial & Capital Systems Program**
Creates a new program to leverage resources during the replacement of various financial systems such as TRAINS.

WSDOT — Transportation Economic Partnership

- **\$2,000,000 – Electric highway infrastructure**
Funds an electric vehicle network infrastructure.
- **\$1,000,000 – Electric vehicle education promotion**
Funds an electric vehicle education and promotion program to achieve the goal of 50,000 EV's on the road by 2020.

PROGRAM T – Planning

- **\$2,500,000 – I-5 Corridor scenario analysis**
Funds a consultant to create a long-range plan for the I-5 Corridor from Tumwater to Marysville.
- **\$1,000,000 – RTPO support**
Funds RTPOs which face new planning requirements and corridor initiatives.

PROGRAM Y – Rail Operating

- **\$3,250,000 – Ultra HSR Corridor**
Creates a corridor authority to enhance collaboration and develop a multistate, international governance of ultra high-speed rail.

WSDOT– Washington State Ferry Operations

- **\$6,308,000 – Retain Hyak for service relief**
Funds use of the MV Hyak as a relief vessel during the 2019-21 biennium.
- **\$7,591,000 – Staffing/overtime – deck, engine room and terminals**
Funds unavoidable overtime costs due to shortage of deck and engine room staff.
- **\$260,000 – Operations watch supervisor**
Adds one position to the watch supervisor unit.
- **\$254,000 – Inventory/logistics manager**
Creates a new position to manage the warehouse and logistics of providing inventory to the ferry fleet.
- **\$250,000 – Operational emergency costs**
Increases base funding for operating costs incurred in support of emergency capital repairs of vessels.
- **\$160,000 – Vessel noise reduction study**
Studies how to reduce noise from ferries in the Puget Sound.

WSDOT – Washington State Ferry Capital

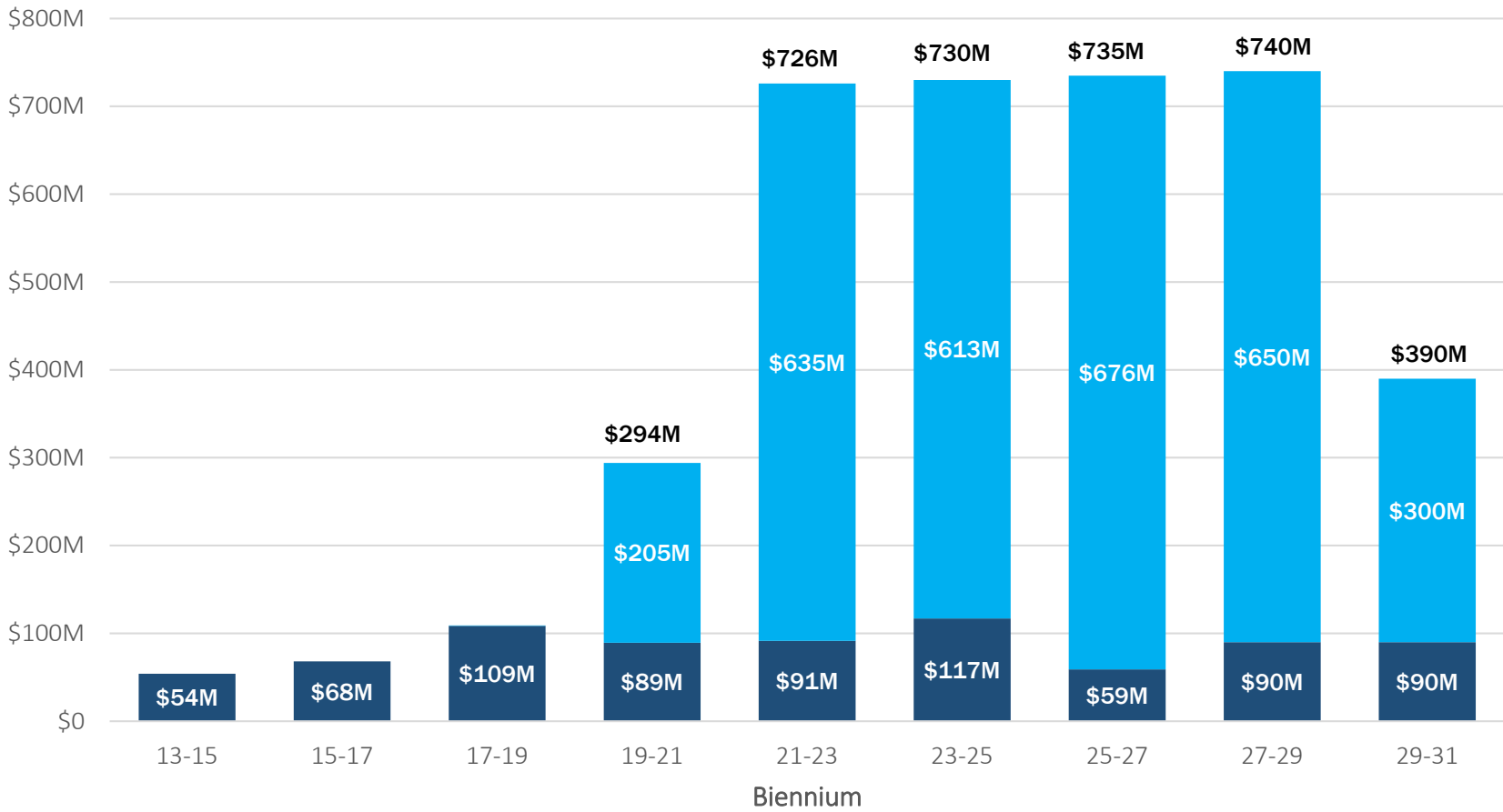
Projects

- **\$95,576,000 – Colman Dock**
Fully funds the completion of the Colman dock project.
 - **\$20,306,000 – Mukilteo Terminal**
Fully funds the completion of the Mukilteo Terminal.
 - **\$9,996,000 – Dispatch system replacement**
Increases funding for replacement of the ferry dispatch system.
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New Vessels

- **\$64,000,000 – 2 electric ferries**
Starts construction of 2 new electric hybrid ferries.
(Total project cost is \$365M.)
- **\$53,215,000 – 2 ferries conversion to electric and charging stations**
Starts conversion of 2 Jumbo Mark II vessels to electric hybrid.
(Total project cost is \$132M.)
- **\$990K – Electric Ferry Planning**
Funds a team to develop a plan to implement hybrid-electric ferry vessel charging at terminals

Fish Passage Funding for Full Compliance



■ Current Funding Assumed - 2018 Transportation Budget (ESSB 6106) ■ Additional Funding Needed through 2030

Department of Licensing

- **\$2,155,000 – Facility 6-year plan**
Relocation of 5 licensing service offices in accordance with the 6-year plan
- **\$461,000 – Facility minor works**
Funding of minor works projects and reconfiguration of facilities for better work flow
- **\$4,446,000,– Data stewardship/privacy**
Enhancement of data stewardship and protection
- **\$431,000 – Testing systems replacement**
Development of a new driver’s licensing testing system to improve test efficiency and security, score reporting and data collection
- **\$3,738,000, – Cloud continuation of operations**
Transition of data storage and the primary vehicle/driver system to a longer-term solution of a cloud service provider

Department of Licensing Real ID

Licensing service office workload

- Demand has not met projections; currently doing targeted outreach
- 2017-19 biennium: \$4.2M savings (will spend about \$1.5M on more outreach; already removed from this total)
- 2019-21 biennium: \$15.3M savings from attrition, time saved from cameras at every station (keep your customer), etc.

Washington State Patrol

- **\$1,431,000 – Land mobile radio system upgrade**
Upgrade of land mobile radio software, hardware, equipment
- **\$2,582,000 – Radio communications upgrade**
Replacement of radios in the patrol's safety radio network
- **\$2,353,000 – Restoration of agency underruns**
Funding for new troopers to reach 2011 service levels
- **\$385,000 – Criminal investigation technology**
Update of criminal investigation tools
- **(\$9,221,000) – Reallocation of debt service**
Adjustment to reflect the retirement of debt service on COPs

Clean Transportation Policies

Legislation

- Simplify EV sales tax incentive: \$1,000 of any new or used EV under \$45K. No sales tax under \$15k. *\$7.7M*
- Make Washington a ZEV state: Give consumers more EV makes and models to choose from. *\$.5M*
- Allow EVSE promotion by public utilities: Provide the same authority investor-owned utilities have. *\$0*
- Make charging more practical: Codify new building codes (10% EV parking spaces + capacity for 50%) *\$0*

Clean Transportation Policies

Budget Provisos

- Continue Governor's EV Infrastructure Bank: Build more EV fast-charging stations across the state. *\$2M*
- Fund an EV promotion campaign: Promote EV benefits and incentives, especially to the low income. *\$1M*
- Make a ultra-high-speed corridor a reality: Advance a planning and environmental linkage project to build a 250 mph Portland-to-Vancouver, B.C., system. *\$3.25M*

Governor's Transportation Budget Spending



Governor's Transportation Budget Revenue

(\$ in thousands)

Description of Item	2019-21 Biennium	2021-23 Biennium
REET		
Graduated REET rates range from 0.75% to 2.5% ¹	\$402,000	\$436,800
Weight Fees		
Advance \$10 weight fee 3 years vehicles <12,000 lbs. ²	\$26,074	\$14,111
Advance \$10 weight fee 3 years passenger vehicles ³	\$108,700	\$58,700
Sales Tax		
\$1,000 retail sales/use tax exemption for new or used electric vehicles ⁴	(\$7,751)	(\$11,261)
Total	\$531,516	\$498,464

¹Graduated REET rates of 0.75% under \$250,000, 1.28% under \$1 million, 2% under \$5 million and 2.5% at or above \$5 million. New revenues to be deposited into The Motor Vehicle Account.

²Various accounts

³Multimodal Account

⁴Newly created Electric Vehicle Account

FOR MORE INFORMATION

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