

TRANSPORTATION

Washington's emergence from the recession will hinge in large measure on the vitality of the state's transportation system. Through our network of roads, highways, rail, bridges and ferries, we move commuters and freight throughout the state. Keeping travelers safe and goods moving efficiently are key to maintaining our quality of life and strengthening our economy.

The Washington State Department of Transportation is working hard to keep the largest construction program in state history moving on time and on budget. Of a total of 391 projects funded through the 2003 Nickel and 2005 Transportation Partnership revenue packages, 215 projects were completed by October 2009, representing a value of \$3.3 billion. Sixty-four projects are now under construction, at a value of \$852 million. And 29 more projects valued at \$587 million are expected to go to advertisement by March 2010.

The Governor's proposed 2010 supplemental transportation project list maintains the commitments made by the 2009 Legislature despite continued downward economic pressures. One bright spot is that construction bids are coming in lower than engineer estimates. In fact, during the first four months of the biennium, the Department of Transportation saved more than \$123 million from lower-than-expected construction bids and other efficiencies. Anticipating these lower bids, the Legislature reduced the transportation capital construction budget by \$129 million this year. A second bright spot was greater competition for projects as more bidders participated.

Offsetting this good news were much lower rates of return on investment earnings and higher fuel costs. This placed pressures on the budget of more than \$75 million in the current biennium. As ferry operations are particularly vulnerable to fluctuating fuel prices, the Governor has directed the Transportation Commission to adjust fares through a surcharge to pay for fuel increases.

AMERICAN RECOVERY AND REINVESTMENT ACT

Washington's share of the federal American Recovery and Reinvestment Act funds designated just for highway purposes is \$344.6 million. Since the Recovery Act was passed in February 2009, workers have logged more than 1 million hours on Washington stimulus projects, earning nearly \$40 million in wages. The Governor has certified 77 Recovery Act projects, which include 32 Tier One projects, eight Tier Two projects, 27 rumble strip projects and 10 cable median barrier projects. Funding for Recovery Act projects is required to be obligated by March 1, 2010, and the Department of Transportation is on track to meet that requirement. To date, \$265.3 million, or 77 percent, of the \$344.6 million has been obligated.

Pending Recovery Act grants

The Department of Transportation has applied for grants to build portions of the State Route 520 Evergreen Floating Bridge replacement program (\$300 million), Columbia River crossing (\$147 million) and North Spokane corridor (\$35 million). Notification of award for these grants is expected no later than February 2010.

The Department of Transportation has also applied for several of the \$8 billion in grants available nationwide for the Pacific Northwest Rail Corridor High-Speed Intercity Passenger Rail Program. Notification of award for these grants is expected no later than February 2010.

Preservation

Routine maintenance

Focus continues on high-priority maintenance needs, including pavement patching and repair, cable guardrail, pavement markers, traffic signals and regulatory signs. (*\$380.2 million, multiple fund sources*)

Ferries

Fuel prices over the past year have been higher for both unleaded gas and diesel than assumed in the biennial budget. Even with the Department of Transportation predicting that it will need 19,717 fewer gallons in the next year, additional funding is required to keep pace with rising costs. (*\$32.8 million, Puget Sound Ferry Operating Account*)

Safety and congestion relief

Alaskan Way Viaduct

The commitment of \$2.4 billion in state funding for this project is maintained, and up to \$400 million in tolls may be generated if authorized by the Legislature, for total project funding of \$2.8 billion. Road and bridge construction for the south end replacement is expected to begin spring 2010. Over the life of this project, an estimated 3,587 non-Recovery Act jobs will be created or sustained. (*Total state support over time: \$2.8 billion, multiple fund sources*)

State Route 520 Evergreen Floating Bridge replacement

The commitment of \$2 billion to replace the floating bridge and fund preliminary engineering and right-of-way costs is maintained. The total state contribution will not exceed \$4.65 billion, as mandated by the 2009 Legislature. The Department of Transportation has applied for a federal grant for construction on the Eastside; notification is expected early 2010. Building the new bridge and the pontoons to support the structure will create or sustain 5,151 non-Recovery Act jobs. (*Total state support over time: \$2 billion, multiple fund sources*)

Interstate 405 corridor improvements

Two of the nearly 20 projects along the I-405 corridor, including the braided ramps project in Bellevue, have received more than \$70 million through the Recovery Act. The projects funded as part of the I-405 corridor will support 2,024 Recovery Act and non-Recovery Act jobs. (*Total state support over time: \$1.5 billion, multiple fund sources*)

Interstate 5 Tacoma high occupancy vehicle lanes

The commitment of \$1.4 billion is maintained to extend HOV lanes from the King County line to the Port of Tacoma Road by November 2011. Over the life of this project, construction within this corridor will create or sustain approximately 1,857 Recovery Act and non-Recovery Act jobs. (*Total state support over time: \$1.5 billion, multiple fund sources*)

Interstate 90 Snoqualmie Pass

The second phase of this project will begin this winter. The corridor improvements will create or sustain 1,297 non-Recovery Act jobs in the next three years. *(Total state support over time: \$571 million, Transportation Partnership Account)*

North Spokane corridor

The commitment of \$570 million is maintained for this project, whose separate components are combined to maximize funding flexibility. The project will create or sustain 973 non-Recovery Act jobs. *(Total state support over time: \$570 million, multiple fund sources)*

State Route 410 Nile Valley landslide

Funding is provided to temporarily re-route SR 410 and to re-channel the Naches River away from the slide area. Funding is also provided for the geotechnical work to determine a permanent solution that will restore a safe, reliable transportation corridor along the Naches River. The project will create or sustain 107 non-Recovery Act jobs. *(Total state support for 2009–11: \$12.75 million, multiple fund sources)*

Washington State Ferries

Funding is provided for three new 64-car vessels that will be delivered consecutively in the summers of 2010, 2011 and 2012. *(Total state support over time: \$211 million, multiple fund sources)*

Amtrak

Total Amtrak funding includes a second round trip from Seattle to Vancouver, B.C., to provide transportation choices for travelers attending the 2010 Olympic and Paralympic games. *(\$31.6 million, Multimodal Account)*

Washington State Patrol

The State Patrol received grants to improve communication systems and promote maritime security. *(\$625,000 State Patrol Highway Account-Federal and Local)*