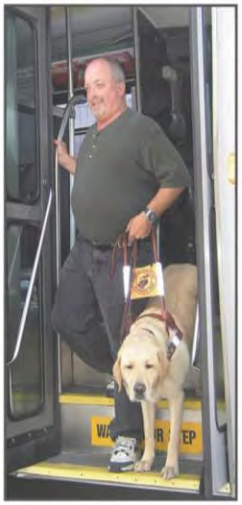
Identifying the State Role in Public Transportation

Final Report



Washington State Legislature Joint Transportation Committee

January 2011

PARSONS BRINCKERHOFF

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Executive Summary

Introduction

During the 2010 legislative session, the Washington State Legislature commissioned a study designed to identify the state role in public transportation and to develop a Blueprint to guide future state investments in public transportation. For purposes of this study, public transportation was broadly defined to encompass ferries, intercity passenger rail and intercity passenger bus services, special needs services, as well as public transit. In addition, the State wished to evaluate the role that the private sector plays in relation to the provision of public transportation. The term "investment" was also interpreted broadly—to encompass not just the state's funding role but also how it deploys state resources through coordination, technical assistance, oversight/reporting, and policy activities.

A fundamental premise underlying this study is that the state has an interest in assuring a healthy, comprehensive, and integrated public transportation system in Washington State. An effective public transportation system is necessary as its population continues to grow, as it seeks to further advance growth management policy goals to develop in more efficient and environmentally sustainable ways, and as it strives to remain economically competitive. A viable public transportation system – as an element of the state's broader transportation system – will be increasingly critical to achieving future state goals. It will help to assure that the state's transportation system will provide the mobility, access, and capacity necessary for the effective movement of people and goods that is critical to a high quality of life for all of the citizens of Washington State.

The state plays a significant role in several aspects of public transportation—particularly the Washington State Ferries, the high occupancy vehicle (HOV) system in the central Puget Sound region, and intercity passenger rail service. However, public *transit,* which provides the majority of public transportation services in Washington State, is fundamentally a local responsibility. The state has enacted laws providing for the establishment of local and regional transit districts and allowing for local investment decisions by local elected officials. Funding has also been authorized at the local level through voter-approved tax options, primarily sales tax. As a result, nearly three quarters of all funding for transit is from local option tax authorizations, the bulk of which is sales tax.

Until the passage of Initiative 695 in 1999 and the subsequent repeal of the motor vehicle excise tax (MVET), the state played a larger funding role by providing MVET matching funds to transit agencies. In 1999, the MVET provided $256 million to public transit agencies, which comprised approximately 26 percent of their total revenues at that time. This source of funding helped to create many of the agencies providing public transportation services across the state today and played an important role in stabilizing revenue streams, mitigating the fluctuations associated with the more volatile sales tax.

Subsequent to the repeal of the MVET, the legislature created a new higher sales tax authorization for transit systems to replace these funds, and over the last decade some transit agencies replaced lost MVET funds through voter-approved increases. However, the recent economic recession has created significant revenue shortfalls for not only transit agencies but for the state and other public

transportation providers as well—to a large extent eroding the revenue increases successfully passed by voters in some areas. The severity of the recession is projected to have significant long-term impacts and is forcing public transportation providers, including the state, to make difficult decisions as they struggle to maintain a sustainable network of services. Some of those decisions are negatively affecting statewide transportation goals related to mobility, economic vitality, the environment, safety, system preservation, and stewardship.

The above issues drove the Washington State Legislature to conduct this study to evaluate the following:

- What is the state's ***interest*** in public transportation?
- What ***goals*** does the state want to achieve?
- What is the right ***role*** for Washington State?
- How does the state ***measure*** whether it's achieving its goals?

Study Process

The study involved evaluating the state's current role in public transportation and identifying possible areas for refinement, identifying and assessing what needs are not currently being met, and identifying performance measures to guide future state investments and decision making. This research and analysis was documented in three white papers that are posted on the Joint Transportation Committee (JTC) website (http://www.leg.wa.gov/JTC/Pages/CurrentStudies.aspx) and are appended to this report.

The JTC appointed a Public Transportation Advisory Panel (Panel) to provide information and input to the study. The 29-member Panel consisted of legislators, public transportation providers, private providers, transportation planning professionals, major employers, and transit users. One-on-one interviews were conducted with the Panel members in advance of its first meeting and results of the research conducted were shared with the Panel both prior to and during each meeting. The meetings were public, and time for public comment was provided at each meeting.

The Panel met four times during the course of the study in a series of workshops that focused on the role of the state, issues facing public transportation providers and users, and the role of performance measures in shaping future state decision making. The primary objective of the meetings was to build a common level of understanding of issues, interests, and concerns and to solicit input on the four questions identified above. Summaries of Panel meetings are included in Appendix A.

In addition, a peer review was conducted with representatives of seven other states to understand what role other states play in public transportation and their approach to performance management. The peer review states included California, Maryland, Tennessee, Florida, Pennsylvania, New Jersey, and Texas. A summary of the findings from those interviews are included in Appendix E.

Key Finding

The most significant finding of this study is that the state's institutional and reporting frameworks and processes are not optimized to allow decision makers to consider *public transportation* in the broader context of the state's overall *transportation* system. This, in large part, reflects the fact that the state

does not own or operate the largest component of the public transportation system, public transit. It has instead explicitly delegated that responsibility to local and regional providers.

The state prepares a number of reports that evaluate the performance of state funded and operated systems, including roads, ferries and intercity passenger rail as part of the Washington State Department of Transportation's Gray Notebook, the agency's primary performance reporting tool on the agency's activities, programs and projects. A relatively new report, prepared biennially by the Office of Financial Management (the Biennial Transportation Attainment Report), assesses progress toward the state's transportation goals and the overall performance of the transportation system. As with the WSDOT Gray Notebook, however, it provides information on ferries and intercity passenger rail, but none on public transit. At the same time, reports on public transit, commute trip reduction, and coordinated service programs, which are integral to the state's public transportation network, are prepared separately (e.g., the Annual Summary Report on Public Transportation prepared by WSDOT) .

This approach obscures the fact that all elements of the public transportation system are integral components of a healthy overall transportation system, and fragments the framework through which policymakers make decisions. As a result, when transportation leaders are focused on addressing emerging issues and establishing state transportation priorities, key elements of the public transportation system are less visible. This framework can also hinder the development of creative partnership opportunities where state investments and programs can be integrated with those of public transit providers to better achieve the state's transportation goals. Given the increasing need for multimodal solutions and for maximizing the capacity and efficiency of the state's investments, this approach does not position the state for addressing the state's overall transportation needs in a comprehensive or holistic manner.

Recommendations – Moving Toward a Multimodal Perspective

This study was designed to address the fundamental question of what should be Washington State's role in the future. Based upon the analysis conducted and the feedback from the Advisory Panel, Washington State has a very broad and critical role in the development of a holistic transportation network that includes public transportation investments and services. Specifically, the state has a role in:

- Integrating public transportation into regional and statewide planning
- Developing and promoting policies (and removing barriers) to encourage the use of all public transportation modes
- Assessing the adequacy of funding sources and developing new funding strategies to address statewide concerns (which may not be the same as the local concerns)
- Aligning reporting and data collection to provide a comprehensive and useful picture of transit
- Establishing a consistent set of measures to assess public transportation system performance

Based on the key findings and observations discussed above, the findings generated through the three white papers prepared as part of this study, and through discussions with the Advisory Panel the following themes have been developed. Specific recommendations associated with each theme are presented in more detail in Section III of this report.

1. ***Transportation Integration***—In each WSDOT region, and where necessary at the sub-region, institute a new regional integration role to better integrate public transportation into state transportation planning and programming activities and to foster greater partnerships between the state and public transportation providers.

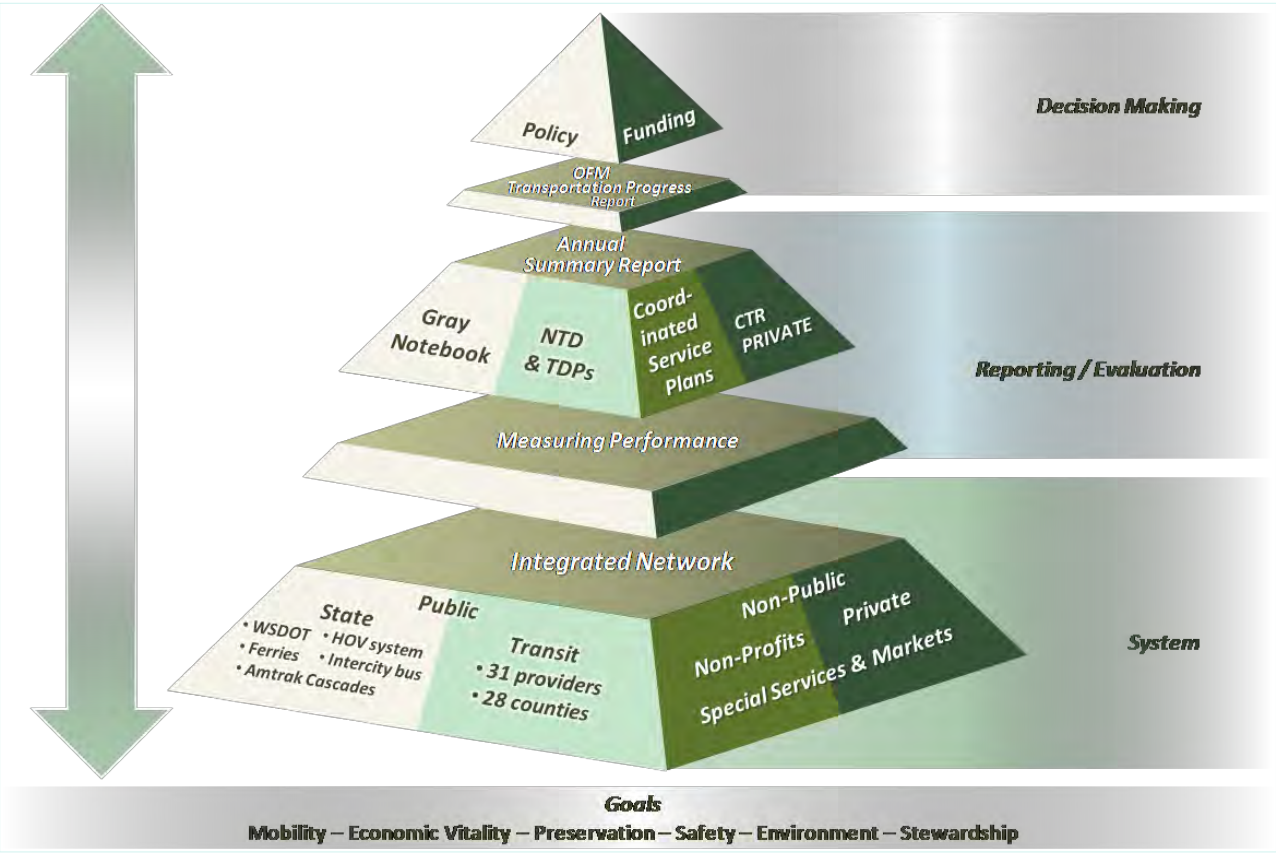
2. ***Policy Refinement***—Develop*, e*nhance and revise policies that promote the use of public transportation, maximize its effectiveness and eliminate barriers to its use.

3. ***Refocus Resources***—Assess the adequacy of funding sources, reevaluate the focus and distribution of existing state funding resources, evaluate increasing existing state revenues, and in the long term, provide new resources to meet statewide public transportation needs.

4. ***Align Reporting***—Align reporting and data collection with the federal process, consolidate public transportation planning and reporting processes and focus on identifying overall trends in order to provide a more useful and comprehensive picture of public transportation.

5. ***Focus on Performance***—Develop a consistent set of measures that are applied to all state, regional and local public transportation modes and integrate those into the state's transportation reporting framework to enable policy leaders to identify public transportation trends in the broader context of the overall transportation system and goals.

A Blueprint for Reporting and Decision Making



The study recommendations focus primarily on the key finding described above and propose a Blueprint for the annual evaluation of public transportation elements as part of the state's assessment of the overall transportation network. The research results, the key findings, and the Panel discussions helped shape the recommendations and have led to the development of a new Blueprint designed to provide information to transportation leaders that will support and help guide their future decision making related to both transportation policy and investment.

This process is described in greater detail in Section IV of this report. In general, the process is depicted as a pyramid that builds upon the state's six transportation goals as a foundation and encompasses all public transportation services in the state. It focuses on developing new institutional processes designed to more systematically integrate public transportation planning and decisions with other state transportation decision making. It proposes a new framework for reporting on overall transportation system performance, one which provides a more comprehensive assessment of the public transportation network as a whole and one where each element of the public transportation system will be evaluated using a consistent set of measures. Reports will provide basic summary information that specifically addresses the state's transportation goals and will also identify emerging issues, future needs, and challenges. This information will then be combined into a revised summary report on public transportation that consolidates on-going trends and issues related to the entire public transportation system for policy makers to use as the basis for investment and policy decisions.

Each level is designed to bring information together in a coordinated and consistent fashion. Recommendations related to this Blueprint focus on refining and enhancing existing reporting activities and functions to create a more comprehensive picture of public transportation for policy makers. Finally, the Blueprint and associated recommendations propose a structured set of reports that support an overall transportation progress report that is expanded to include all transportation elements necessary to achieve state goals.

I. White Paper Key Findings

A major part of the study effort was research of the initial questions posed by the Legislature: What is the state's interest in public transportation, what is the state's current role, and what are the current unmet needs. From this, the analysis focused on identifying the state's future role, future trends and needs, and evaluation measures to assess the effectiveness of its investment. This section provides a high level summary of the research conducted and the key findings from the three white papers produced for the study. These white papers are contained in Appendices B, C and D.

White Paper #1—Unmet Public Transportation Capital and Operating Needs

This white paper presents information on current public transportation programs, funding, and emerging issues in Washington State with the aim of assessing the extent and nature of any unmet needs. Unmet needs were defined as those services and capital facilities considered justified by individual provider policy boards or agencies which cannot be currently provided. This includes those associated with the current recession which has resulted in the elimination or reduction to existing service, deferrals of capital investments and stagnant levels of specialized services despite growing demand. Other unmet needs could include those that have been identified but for various reasons have not been addressed, such as intermodal or intersystem connections, or deferrals of planned longer-range system expansions designed to meet projected future demand associated with population and employment growth.

Key findings include:

- There is no common definition of "unmet need" and that there is no one source of information. Many observations are anecdotal and often do not have a strong data or rationale basis supporting the unmet need observation.
- Public transit providers have experienced three successive waves of financial impact with the first wave occurring in 1999 with the loss of MVET revenues. The second wave occurred with fuel price volatility that occurred in 2008 which increased operating costs. The current recession represents the third wave, with a 12.7-percent reduction revenues in 2009 forcing service cuts, fare increases, and deferred investments.
- Specialized transportation services (for the elderly, persons with disabilities, etc.) are provided by public transit systems, non-profit organizations, and private operators under contract to public agencies. For public transit systems, specialized services incur a much higher cost per rider than fixed-route service and a growing proportion of agency budgets. For private, non-profit organizations, funding is heavily dependent on federal and state funding, often through grants which require ongoing support.
- Even in this era of fiscal challenge, demand for public transportation is growing as the state's population and employment continues to grow. Demographic shifts are creating more demand, with an increasing number of people aged 65 or over, particularly in rural counties where the elderly population is growing at a faster rate than in urban areas. New policy initiatives (climate change, tolling) are also likely to increase demand for public transportation.

White Paper #2—Assessing the State's Current Role in Public Transportation

This white paper presents information on, and an assessment of, the state's current role in public transportation in the context of four broad categories: (1) policy and planning, (2) direct operations, (3) funding, and (4) coordination and oversight. It reviews the state's adopted transportation goals and provides an overview of current state policies, responsibilities, and activities related to public transportation programs and funding. The paper was designed to ensure a common understanding of the state's current role in meeting those goals and to serve as the basis for identifying possible changes to the state role.

Key findings include:

- The state serves an active role in setting policy and direction. The six transportation policy goals enacted by the Washington State Legislature establish a broad framework for transportation within the state. The state sets a long-range vision through the Washington Transportation Plan (WTP), which identifies the goals and strategies for the development of the overall transportation network.
- Several state policy objectives relate to growth management, traffic congestion, and greenhouse gas reduction guide expectations related to the transportation system. The state is a leader in Commute Trip Reduction (CTR) legislation focusing on reducing single-occupant vehicle work travel.
- The State plays a significant and direct role through its funding, ownership, and management of high occupancy vehicle (HOV), state ferry and contracting for the operation of intercity bus (*Travel Washington*) and rail (*Amtrak Cascades*) services. With the recent award of significant federal American Recovery and Reinvestment Act (ARRA) grant funds, the state's role in intercity passenger rail service will likely grow in the future.
- The state's role in relation to public transit is primarily focused on providing authorization for the creation of local and regional transit agencies and authorizing local option taxes. The state also provides some direct funding through two grant programs, the Regional Mobility Grant Program and the Rural Mobility and Paratransit/Special Needs Grants Program. Other than these two programs, the state plays a relatively small role in funding for public transit.
- The state is actively engaged in the federal and state grant coordination program for meeting health and human service public transportation and rural mobility needs and plays a role in administering several small federal grant programs.
- WSDOT's Public Transportation Division plays a coordination role and oversight role of various public transportation elements and some federal funding allocations. It also oversees the Commute Trip Reduction (CTR) program, coordinating with local jurisdictions, employers and transit agencies across the state to fulfill program goals. In addition, it collects information on public transit agencies and prepares an annual report on public transportation. While this report provides detailed data on individual providers, it lacks a comprehensive assessment of the public transit system or present analytical data for decision making purposes. It is unclear how the report is used by transportation leaders for setting policy or funding priorities.

White Paper #3—Efficiency and Accountability Measures

This paper provides an overview of performance management. It describes current public transportation performance management practices at the federal, state, and local levels and summarizes current performance management practices in Washington. A summary of a peer review findings regarding the relationship between state roles and the use of performance management is also included.

Key findings include:

- Performance management is a process that allows an organization's leaders to make informed decisions, communicate successes, and revise or develop new policies and programs. The degree to which the state plays a role in public transportation performance measures should be clearly tied to the state's goals and its role.
- Washington's current use of performance measures is generally aligned with its current roles in public transportation. More specifically, where the state plays a role in funding and operating services (ferries, intercity passenger rail), it uses measures for evaluating performance and decision making. Some are directly aligned with state goals.
- Current reporting on other public transportation services is not integrated, with different reports provided on transit agencies, commute trip reduction achievements, and coordinated services transportation. Reporting is not tied to state transportation goals.
- Washington transit agencies currently submit statistics at the federal, state, and local levels. These measures are not aligned with state goals.
- The use of performance measures in other states is generally consistent with their established levels of involvement in public transportation.

II. Washington State's Transportation System: Moving Toward a Multimodal Perspective

A key outcome from the study and advisory panel interaction was a desire to see public transportation become a more integrated component of the transportation system. In order to achieve this objective, the state should develop a total transportation vision that includes public transportation as an integral part of the transportation system.

Washington State has an interest in an effective and efficient transportation network. Public transportation is an essential component of that network. The state has an interest in providing mobility in the state's most congested areas, in fostering economic vitality through job access and job creation, and in assuring that the state's citizens have access to basic life-sustaining services in all communities.

The public transportation advisory panel convened for this study recognized that the basic role the state currently plays is consistent with these objectives. However, with additional research and assessment, they also identified that while that role was consistent, the existing approach needs refinement. Public transportation in a broader sense needs to be integrated into the statewide transportation picture to enhance decision making and better communicate a more holistic approach, regardless of who provides the infrastructure or service.

This key theme emerged in early discussions and continued throughout the study process. This and other key themes included:

- *Focus on the big picture*—Integrate public transportation more systematically into statewide planning to better integrate systems and improve connectivity for all users.
- *Focus on meeting state goals*—Show how public transportation helps to achieve state goals, such as mobility and the environment.
- *One size does not fit all*—Acknowledge that the state is diverse and includes a mix of large and small, urban and rural communities and issues which require a flexible approach.
- *Funding*—Address the need for stability, greater flexibility, and better coordination of resources.
- *Special services*—Strive to ensure that the basic mobility needs of persons dependent on public transportation (elderly, persons with disabilities, youth, etc.) are met.

III. Recommendations

The primary finding of this study is that the state does not have the institutional or informational framework or tools in place to allow decision makers to consider public transportation in the broader context of the state's overall transportation system. The recommendations are built to begin a process of a culture change in integrating public transportation issues and investments in the overall state transportation decision making structure. Some changes are designed to develop reporting tools to provide decision makers with a more comprehensive picture of public transportation issues and challenges. Some recommendations are designed to integrate public transportation issues into the way WSDOT, and the state overall, approaches transportation decision making.

The recommendations proposed build off of this key finding. They are organized around five key themes.

1. ***Transportation Integration—***In each WSDOT region, and where necessary at the sub-region, institute a new regional integration role to better integrate public transportation into state transportation planning and programming activities and to foster greater partnerships between the state and public transportation providers.

2. ***Policy Refinement***—Develop*, e*nhance and revise policies that promote the use of public transportation, maximize its effectiveness and eliminate barriers to its use. .

3. ***Refocus Resources***—Assess the adequacy of funding sources, reevaluate the focus and distribution of existing state funding resources, evaluate increasing existing state revenues, and in the long term, provide new resources to meet statewide public transportation needs.

4. ***Align Reporting—***Align reporting and data collection with the federal process, consolidate public transportation planning and reporting processes and focus on identifying overall trends in order to provide a more useful and comprehensive picture of public transportation.

5. ***Focus on Performance—***Develop a consistent set of measures that are applied to all state, regional and local public transportation modes and integrate those into the state's transportation reporting framework to enable policy leaders to identify public transportation trends in the broader context of the overall transportation system and goals.

Each theme contains a series of specific actions to help develop the state's approach to public transportation decisions and investments. They focus on developing a way for the state to integrate public transportation into a more comprehensive approach to transportation decisions. The following details the intent and specific activities necessary to achieve each recommendation.

Moving Toward a Multimodal Perspective

1. ***Transportation Integration—In each WSDOT region, and where necessary at the sub-region, institute a new regional integration role to better integrate public transportation into state transportation planning and programming activities and to foster greater partnerships between the state and public transportation providers.***

The Legislature and the Governor and WSDOT should develop ways to better integrate public transportation into a comprehensive approach to developing an effective and efficient transportation network. This recommendation is to specifically integrate public transportation into WSDOT's basic decision making processes. It intends that public transportation become an integral part of WSDOT's "way" of doing business to drive a more multi-modal approach to local highway decision making and not just rely on the Public Transportation Division to represent public transportation issues and concerns.

A. Create a WSDOT Public Transportation Integration role within each WSDOT region, and in some cases sub-regions. This does not necessarily mean creating a new position. It would mean designating a key individual within the region whose role is to help effect a cultural shift in thinking so that public transportation is more systematically and systemically considered as part of overall state transportation planning and decision making. The position should be integrated as part of the regional WSDOT organizational structure for better engagement in WSDOT activities and not be Olympia-based or part of the Public Transportation Division. This is to facilitate breaking down silos and ensure that local issues are addressed in collaboration with overall state guidance developed by the Public Transportation Division. The ultimate goal would be that public transportation providers view this position as an asset designed to identify and leverage partnership opportunities and decisions. This position should coordinate with and represent public transportation interests, needs, and issues as they relate to state projects and plans and serve the following capacities:

(1) Act as a "change agent" within the Department and be integrated within its decision making processes. This position should have the following characteristics:
- A person at the regional level and in some regions include sub-regional representation
- Be a position with adequate authority to accomplish its objectives
- Be tailored to the issues, needs, and concerns of the local region, and sub-region where appropriate, as they relate to public transportation
- Focus on partnership opportunities and connectivity between systems and modes (as appropriate)
- Directly report to each Region's Administrator

(2) Serve in a coordination role including, but not limited to

- Integrate public transportation plans and needs and proposed state projects and priorities and ensure early consideration of public transportation in state projects and actions
- Bring all public transportation providers together to address state goals and objectives including, but not limited to, public transportation system connectivity, gaps, access, and mobility
- Participate in regional planning activities to represent state interests and needs related to public transportation

(3) Provide an annual briefing to the Legislature by region on outcomes/results of integration efforts

B. Build upon the work begun on the Main Streets Highways program that addresses the needs of all users of transportation corridors. Institute an inclusive stakeholder group (consisting of representatives of all user groups of the transportation network, as well as city, county, and state transportation officials) to expand upon the Main Streets Highways idea to develop a new approach or checklist for assessing project improvements. Such an approach, in use by some states and the subject of new federal funding programs, seeks to ensure that all users of the transportation network are considered in all phases of transportation planning and development. Research the applicability of new grant options for development of these corridors.

2. *Policy Refinement—Develop, enhance and revise policies that promote the use of public transportation, maximize its effectiveness and eliminate barriers to its use.*

It is recommended that the following policies be revised or developed to enhance the provision of public transportation services.

A. Broaden the essential public facilities definition to include elements of public transportation.

(1) Revise RCW 47.06.140 Transportation facilities and services of statewide significance—Level of service standards—to identify public transportation facilities provided by transit agencies, such as park-and-ride lots and transit centers where multiple services and providers come together.

(2) Revise RCW 81.104.015—Definitions—expand meaning of “public transportation facilities” to include facilities that encourage the transfer of passengers between services, modes, and systems.

B. Codify Washington State Department of General Service Administration guidelines regarding Location of State Worksites.

(1) Enact legislation to require, where appropriate, state worksites and state permitted public facilities to be located within easy access to public transit services.

(2) Specifically identify the importance of siting medical and social service facilities of importance to citizens requiring special needs transportation, where possible.

C. Develop incentives that encourage public/private partnerships between public transportation providers, the private sector, and local jurisdictions.

(1) Evaluate the extent to which statutory or policy barriers impede funding partnerships, such as usage of state rights-of-way, air leases, and disposition of transit stop advertising revenues, and consider modifications necessary to eliminate barriers, speed processing, and develop public transportation supportive policies.

(2) Task the Public Transportation Division, working with public and private public transportation providers, to establish conditions under which private providers can use public facilities (HOV lanes, park and rides, etc.).

3. Refocus Resources—Assess the adequacy of funding sources, re-evaluate and refocus the distribution of existing state funding resources, evaluate enhancing existing state revenues and provide new local resources to meet statewide public transportation needs.

Develop new sources and alter or increase existing sources to generate new funding options.

A. As informed by the reporting and policy review process (identified in Recommendations 4 and 5 below), focus Regional Mobility Fund to explicitly target state priorities as they evolve over time.

B. Provide a predictable source of funds for health and human service and rural services by evaluating a shift from a grant-oriented process to a more formula (or consistent) funding or other predictable approach.

C. Reassess current allocation of state public transportation investments to identify a new pilot innovations program related to projects and initiatives that encourage

(1) Transit supportive development

(2) Technical innovation solutions to improve public transportation speed and reliability and public communication of alternative modes of transportation

(3) Alternative fuel development to meet state environment goals

(4) Methods to identify and address institutional silos across state and other governmental institutions (e.g., to assess and address effects of policy and funding decisions on the provision of public transportation services and the cost of providing that service)

D. Develop new revenue sources for transportation funding, focusing on options that provide more flexibility in the use of funds for all transportation purposes. New sources should be excluded from 18th amendment restrictions on the use of funds for only highway purposes.

(1) As alternative energy sources become a larger share of fuel consumption, consider new user fees on these energy sources that replace declining gas-oriented sources. These sources should allow for investment in all transportation elements, including public transportation.

(2) Revise and reconsider current fee structures, such as sales tax on gas, indexing fees to inflation, or reestablishing MVET funding for public transportation purposes.

(3) Consider flexible use of future tolling revenues and focusing those resources on tolled corridors where transit can play a significant role in enhancing people-carrying capacity and congestion relief.

E. At each biennium, reassess the current allocation of existing and new state funding source(s) based upon how the transportation system, including public transportation objectives, is meeting state goals. Resources should be targeted at emerging trends and issues identified through the OFM Attainment Report or the Annual Washington State Public Transportation Assessment Report.

F. Provide new local tax/fee options for transit providers to reduce funding volatility and provide alternative funding streams for all transit providers.

4. *Align Reporting—Align reporting and data collection with the federal process, consolidate public transportation planning and reporting processes and focus on identifying overall trends in order to provide a more useful and comprehensive picture of public transportation.*

The state should create an integrated, bottoms-up performance reporting process that builds off existing information (as opposed to creating new reporting requirements). The vision driving the specific recommendations and the process proposed below is to establish an integrated approach to collecting information from all public transportation providers, to align reporting schedules, and to refocus reporting more around analysis of issues and trends and away from simply compiling exhaustive amounts of data.

Reporting on public transportation investments at the state level is fragmented and information is derived from many different sources. Reports prepared include WSDOT's Gray Notebook for state operated services, Transit Development Plans (TDP) and National Transit Database (NTD) reports from transit agencies, MPO/RTPO mandated planning documents for special service providers and

state CTR reporting by individual employers and Regional CTR reporting by the MPO's in the nine affected counties. In addition, as has been emphasized in this report, this reporting is done in isolation from reporting on the broader state transportation system.

The information collected by the state lacks a coordinated approach and adequate assessment and analysis to synthesize key issues and trends for decision makers. As a result, issues and trends critical to state interests are not identified in any systematic or comprehensive manner. Decision makers do not lack information but are actually overwhelmed by too much information. In addition, they are not provided with analysis highlighting changes over time, which would give them the ability to identify emerging issues, opportunities, and challenges that need to be addressed.

The recommendations below focus on refining how the state collects and reports information related to public transportation and recommends that a more analytic approach be taken in order to provide decision makers with a high-level, comprehensive overview. Reporting requirements should be applied uniformly to all state, regional and local public transportation modes. At the same time, it is recommended that information continue to be collected at the individual system level to allow for a deeper exploration of specific issues as necessary.

A. Broaden the current Annual Summary of Public Transportation Report into a more comprehensive yet more targeted **Washington State Public Transportation Assessment Report**. This report should encompass a summary of *all* public transportation services – state, regional, local, and special (public and private) public transportation services.

   (1) The report should build off information collected in other federal and statewide reports and plans—Gray Notebook, FTA National Transit Database (NTD), Transit Development Plans, Coordinated Service Plans, and Commute Trip Reduction Report. Specifically the report should draw from existing reporting that is already being done; for example, for public transit the report should draw upon FTA NTD data or existing local transit agency data.

   (2) Refocus the report as an analytic assessment of public transportation system performance, trends, and issues.

   (3) Streamline the report to focus on issues of statewide significance and identify common trends among public transportation providers, including state provided services.

   (4) Remove operating indicator requirements and replace with a summary of state performance reporting as defined below. Again, specific to transit, utilize the FTA NTD performance measures which include operating expense per revenue vehicle hour/mile, operating expense per passenger mile/ trip and unlinked passenger trip per vehicle revenue mile/hour.

(5) Change reporting date to January 1 allowing for analysis of individual TDP reports and production of a report for each legislative session.

B. Revise RCW 35.58.2795 Public transportation systems—Six-year transit plans (TDP) legislation to align state reporting with federal reporting schedules and revise reporting requirements.

(1) Change report date to November 1 to align with federal National Transit Database (NTD) reporting cycle.

(2) Use information prepared by transit agencies for NTD federal reporting purposes; target information to respond to state performance measures oriented around specific state goals (defined below).

(3) Change the plan focus to summarizing individual transit agency goals, objectives, and achievements; identifying current challenges and issues; and identifying projects/programs of statewide significance.

C. Modify the MPO CTR planning process and annual employer CTR reporting to include new performance measures as appropriate (defined below) as part of a state reporting process. Consider adding private provider reporting of special public services to this annual reporting process.

D. Enhance the federal Coordinated Human Service Transportation planning process by requiring all state agencies providing health and human transportation services to report on ridership and levels of funding dedicated to transportation services.

5. *Focus on Performance—Develop a consistent set of measures that are applied to all state, regional and local public transportation modes and integrate those into the state's transportation reporting framework to enable policy leaders to identify public transportation trends in the broader context of the overall transportation system and goals.*

There are hundreds of measures that could be considered and used by the state for measuring public transportation system performance. There is no one set of measures that every state or agency uses; instead entities choose the measures that provide the most meaningful information and measures related to what they are trying to achieve.

It is important to distinguish between measures that are used to shape operational decision making versus measures used to inform higher-level policy and funding decisions. The state needs a set of measures tied to what the state wants to achieve as identified in its transportation policy goals. This may change over time based upon changing goals and priorities and whether the measure actually provides a meaningful assessment.

Another important aspect of using performance measures to achieve state objectives is that they should be consistently applied. For example, the state has made a significant financial investment in

– and seeks to maximize the people-carrying capacity of – the freeway system through the creation of the HOV lane system in the central Puget Sound region. As part of the management of that system the state has established performance standards to guide its operations. Yet it has not consistently applied those standards in all corridors which runs counter to the state's goal of maximizing the efficiency of existing facilities – which encompasses not just the HOV lanes themselves but also the buses, vanpools and carpools that use them.

A significant amount of analysis, and discussion with the Public Transportation Advisory Panel, focused on cost-effectiveness measures. The discussion reviewed whether new measures should be developed and, if so, are there specific measures that would allow appropriate comparison across all modes? As previously noted, the state currently collects and reports a significant amount of data related to the performance of the state transportation system, including the public transportation elements it funds and operates (ferries, intercity passenger rail, etc.). Through the Annual Summary Report on Public Transportation it reports on several efficiency and effectiveness measures related to public transit, including operating costs per revenue vehicle mile, operating costs per passenger trip, etc.

However, the state does not report comparable cost-effectiveness measures for those elements of the public transportation system that it directly funds and operates. If the state determines that cost-effectiveness is a critically important measure for guiding future investment decisions, it should develop measures that can be applied to *all* elements of the public transportation system particularly if it intends to play a greater funding role in the future.

The state's focus should be, as already stated in the OFM Biennial Transportation Attainment Report, on, "…not a report card on individual agencies, but a report on the state of the transportation system…" It should be based on a limited, yet meaningful, set of measures and oriented around the state's transportation goals.

Specific recommendations are:

A. Adopt a simple set of measures that are aligned with state transportation goals to allow for the evaluation of public transportation elements in the state.

B. Focus on measures that allow for evaluation against multiple goals.

C. Use the following recommended measures to support state policy decisions and to guide state investments:

Goal	Measure
Safety	Ridership (an indicator of VMT avoided resulting in fatalities avoided)
Preservation	State of good repair (TBD)
Mobility	Peak riders/capita, and % of population within ¼ mile of transit
Environmental	Ridership (an indicator of VMT avoided resulting in GHG avoided)
Stewardship	Peak ridership/capita, by mode/service type – Transit: Urban, small urban, rural, ADA – Ferries – Intercity rail – Intercity bus – Vanpool – Special needs
Economic Vitality	Ridership/capita

D. Task the WSDOT Public Transportation Division to work with providers to detail definitions used by each provider and to develop an approach to measuring the state of good repair. While initially apples-to-apples comparisons may not be possible, as this information begins to be collected trends will start becoming apparent and refinements can be made over time.

E. Expand the existing OFM Biennial Transportation Attainment Report focused on state transportation goals to include public transportation measures aligned with the state transportation goals.

IV. A Blueprint for Reporting and Decision Making

Figure 1 below outlines a Blueprint for how the state can take a more integrated approach to public transportation decision making. While an overall finding was that the state's role should not change in a fundamental way, the state does need to implement a new approach and new processes in order to develop a more comprehensive and integrated view of the transportation system as a whole. The Blueprint is designed to allow for a more comprehensive development of information and reporting designed to provide decision makers with concise information on the performance of the entire transportation system—one that includes public transportation services.

The foundation for this new approach builds upon the state's adopted transportation goals. These goals should drive policy and funding decisions that support the development of the transportation network, including the provision of public transportation services. Building upon those goals are the various services and facilities delivered by *all* providers across the state.

As noted in the recommendations above, a common set of performance measures is necessary to provide baseline information related to each public transportation provider. These measures are intended as a tool for assessing how the network of services are meeting users needs. Implementing a common set of measures that all providers report on begins to provide a common base for evaluation while, at the same time, acknowledging that not all services will perform the same nor can be measured with the same metrics (in accordance with the "one size does not fit all" principle).

Not all public transportation services are created equal. Each provider or type of service has been established to meet a specific need. State services provide basic mobility connections to meet interstate transportation needs, such as connectivity over long distances or across geographic barriers, such as water or across long distances to major destinations. Transit agencies were formed to meet local community and regional needs. Health and human service providers, rural networks, and special employer services meet the unique needs and specific concerns of local markets. The measures are not intended to compare between different providers.

Providing an initial set of common performance measures allows for a more consistent and integrated approach to providing the detailed information used as the basis for evaluation of the entire public transportation network. The state currently collects information for almost all providers and it is important to capture these annual snapshots of each service to be able to gain some information on current accomplishments, challenges, and issues.

Building upon a common set of performance measures is the development of annual snapshots of each public transportation service element. Reports are currently prepared by every public transportation provider in some way. The recommendations identified above provide guidance on how each report should be refocused on providing responses to performance measures and identify how the service is meeting state goals and current accomplishments, challenges, and issues.

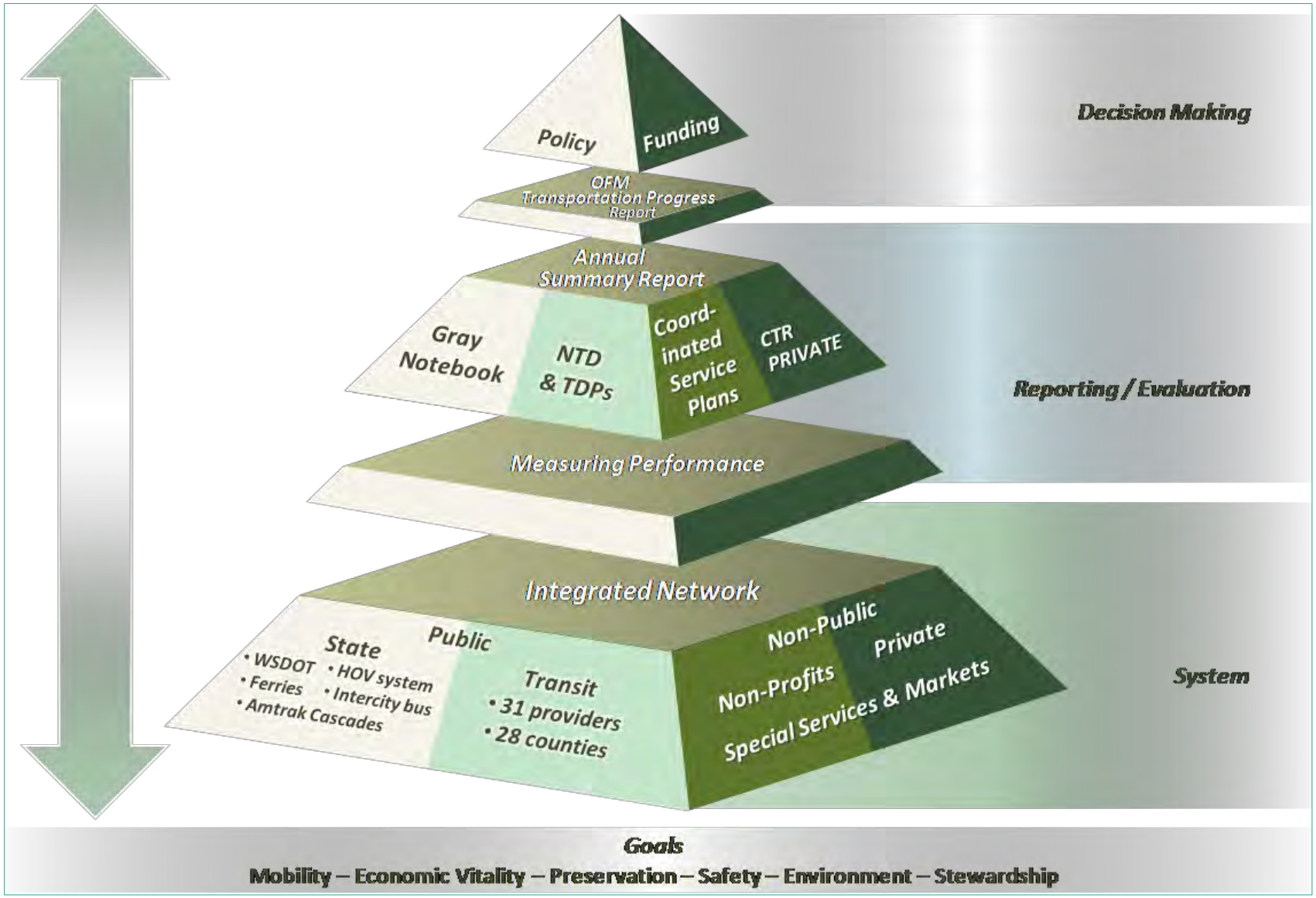
This process is designed to ensure that information about the entire state public transportation comes together and is presented in a comprehensive manner. The current approach lacks analysis of the information provided by individual providers that could identify common themes, emerging issues, and trends over time. A revised annual **Washington State Public Transportation Assessment Report** providing that type of analysis on all public transportation modes (state, regional, local, and special public and private services), will provide policy makers with more meaningful information upon which to base future decisions. This report would be a high-level overview of the state of public transportation and include information on all providers, including state services. The focus of this report will be a high-level overview and synthesis on the extent to which the system is meeting state needs and objectives. It will identify areas of concern and issues to be addressed. The primary outcome from this report will be an annual status report and, biennially, to feed into the OFM Transportation Attainment Report.

The OFM Transportation Attainment Report should continue to be used as a high-level warning mechanism for identifying key issues and steps being taken to address them. It is important that decision makers and staff have access to more robust and definitive information in each transportation area for further analysis.

Figure 1 below provides a graphic representation of the process. While the description above denotes a "bottoms up" process, the process also envisions a feedback "loop" as being equally important. This can occur in different ways. The first is upon identification of a specific area of concern through the OFM reporting process. At this point, research and feedback can happen by flowing back through the process. The second is through specific direction via policy makers through either the Executive Branch or the Legislative Branch to specific agencies or providers based upon review.

Ultimately, the intent would be that all of this information would be available to policy makers, agencies, and other service providers to consider how improvements and coordination could help refine the overall public transportation network serving Washington State.

Figure 1. Decision Making Blueprint



V. Appendices

The following appendices contain the background information provided to the Public Transportation Advisory Panel during the course of the study. This information was posted and provided to the public via the JTC website established for the study. In addition, a separate summary of the peer review surveys was written to share information with the state agencies that provided valuable insight and feedback during the process.

Appendix A
Public Transportation Advisory Panel Membership and Meeting Summaries

State Role in Public Transportation

JTC Public Transportation Advisory Panel—2010

The legislation enabling this study directed the JTC to appoint a Public Transportation Advisory Panel (Panel) to provide information and input to the study. The 29-member Panel consisted of legislators, public transportation providers, private providers, transportation planning professionals, major employers, and transit users. One-on-one interviews were conducted with the Panel members in advance of its first meeting and results of the research conducted were shared with the Panel both prior to and during each meeting. The meetings were public, and time for public comment was provided at each meeting.

The Panel met four times during the course of the study in a series of workshops that focused on the role of the state, issues facing public transportation providers and users, and the role of performance measures in shaping future state decision making. The primary objective of the meetings was to build a common level of understanding of issues, interests, and concerns and to solicit input on the four questions identified above. Members of the Panel are listed below and summaries of Panel meetings are included in this Appendix.

Position	Name	Area	Comments
Senate Democrat	Senator Mary Margaret Haugen	Island County (Snohomish, Skagit)	Chair, Senate Trans Comm. Co-Chair, JTC
Senate Democrat	Senator Brian Hatfield	Pacific County (Wahkiakum Cowlitz GH)	Senate Trans Committee
Senate Republican	Senator Dan Swecker	Thurston County (Lewis)	Ranking Republican, JTC & Senate Trans Committee
Senate Republican	Senator Curtis King	Yakima County	Senate Trans Committee
House Democrat	Representative Judy Clibborn	Mercer Island, King County	Chair, House Trans Comm. Co-Chair, JTC
House Democrat	Representative Jim Moeller	Clark County	House Trans Committee
House Democrat	Representative Marko Liias	Snohomish County	Vice-Chair, House Trans Committee
House Republican	Representative Mike Armstrong	Chelan County	Ranking Republican, House Trans Committee & JTC
House Republican	Representative Terry Nealey	Columbia County (Walla Walla, Benton)	House Trans Committee
WSDOT Public Transportation Division	Katy Taylor	Washington State Department of Trans.	Director, WSDOT Public Transportation Division
Representative of Special Needs Users	Kelly Scalf	Pend Oreille County	Community Transportation Assoc Northwest, 2nd VP
Representative of Transit System Users	Levi Wilhelmsen	Pierce County	Pierce Transit rider & commuter. Lakewood Trans Adv Committee
Transit Agency Rep.	Richard DeRock Link Transit	Chelan County Douglas County	General Manager Former ACCT member
Transit Agency Rep.	Kevin Desmond, King County Metro	King County	General Manager
Transit Agency Rep.	Martha Rose Island Transit	Island County	General Manager
Regional Transit Authority	Joni Earl Sound Transit	Sound Transit, King, Pierce & Snohomish counties	Chief Executive Officer
Regional Transportation Planning Organization Eastern WA	Page Scott Yakima Valley Conference of Governments	Yakima County	Executive Director CTR Board Member ACCT Board Member
Regional Transportation Planning Organization Western WA	Charlie Howard, Puget Sound Regional Council	King, Snohomish, Pierce & Kitsap counties	Transportation Planning Director CTR Board Member
Major employer or major work site	Rick Benner, Western Washington University	Whatcom County	Executive Director/ University Architect Capital Planning and Dev.
Major employer or major work site	Jim Stanton, Microsoft Redmond	King County	King County Regional Task Force on Transit Member

Position	Name	Area	Comments
Major employer or major work site	Ted Horobiowski, Avista, Spokane	Spokane County	Fleet Services Manager Avista Utilities CTR Board Member
Major employer or major work site	Hans van Someren Greve, Stemilt Growers, Wenatchee	Chelan County	Large fruit growing and handling operation
Environmental Organization	Virginia McIntyre,	Benton County	League of Women Voters, Richland
Environmental Organization	Chuck Ayers, Seattle	King County	King County Regional Task Force Bicycle Advocate
Collective Bargaining Organization	Karen Stites, Amalgamated Transit Union	Thurston County	ATU, formerly Grays Harbor Transit operator
Additional: State Ferry	Alice Tawresey	Kitsap County	Former Trans Commissioner and former Mayor of Bainbridge
Additional: Private Bus Operator	Gladys Gillis	King County	Owner and CEO, Starline Luxury Coaches
Additional: Rural Transit	Dave O'Connell, Mason County Transit	Mason County	General Manager Former TIB member
Additional: Transportation Consultant	Tom Jones	King County	Consultant, experience with public transportation issues

Meeting Summary

JTC State Role in Public Transportation
Public Transportation Advisory Panel – Workshop #1

Tuesday, July 29, 2010
9:00 a.m. – 12:00 p.m.
Sound Transit Union Station – Ruth Fisher Board Room

In attendance:

- Senator Mary Margaret Haugen, Senate Transportation Committee Chair
- Representative Judy Clibborn, House Transportation Committee Chair
- Senator Brian Hatfield, District 19
- Senator Curtis King, District 14
- Representative Jim Moeller, District 49
- Representative Marko Liias, District 21
- Representative Mike Armstrong, District 12
- Katy Taylor, WSDOT
- Kelly Scalf, Rural Resources
- Richard DeRock, Link Transit
- Kevin Desmond, King County Metro Transit
- Martha Rose, Island Transit
- Ron Tober, Sound Transit (alternate)
- Page Scott, Yakima Conference of Governments
- Charlie Howard, Puget Sound Regional Council
- Rick Benner, Western Washington University
- Jim Stanton, Microsoft
- Ted Horobiowski, Avista Corp.
- Virginia McIntyre, League of Women Voters
- Chuck Ayers, Cascade Bicycle Club
- Karen Stites, Amalgamated Transit Union, 1765
- Gladys Gillis, Starline Luxury Coaches
- Tom Jones, Consultant

Not in attendance:

- Senator Dan Swecker, District 20
- Representative Terry Nealey, District 16
- Levi Wilhelmsen, rider
- Hans Van Someren Greve, Stemilt Growers
- Alice Tawresey, former Transportation Commissioner
- Dave O'Connell, Mason County Transit

The first workshop with the Joint Transportation Committee (JTC) Public Transportation Advisory Panel was held on June 29, 2010. The workshop was attended by 22 of the Advisory Panel members. The meeting started with welcoming remarks by Representative Judy Clibborn and panel member introductions, which included discussing what they hoped to achieve out of this study. The Parsons Brinckerhoff team, led by Sheila Dezarn and Barbara Gilliland, gave an overview of the key research to begin discussions in four key areas:

- Existing State Role
- Summary of Unmet Needs
- Introduction to Performance Management
- Other State Programs

Introductions

Representative Clibborn welcomed the panel members and thanked them for their willingness to participate in this study. The legislature has heard from advocates over the years regarding public transportation needs and funding. This work is to help re-assess the state's role in public transportation and consider how it should be integrated into an overall transportation system.

Panel members introduced themselves and highlighted their interest in being on the panel and what they hope to get out of this work. A summary of key interests included:

- Shared Vision
  - Public transportation's role in achieving state interests (i.e. energy conservation, safety)
  - Public transportation as an integral element of the transportation system
  - Understanding of the greater public transportation network and issues
  - Understanding of special needs, senior and rural area mobility issues
  - Performance monitoring
- Improving Public Transportation
  - Access
  - Land use/transportation connections
  - Increasing ridership
- Funding
  - Understanding the state's investment
  - Partnerships and collaboration
  - Innovative Programs
  - Sustainable sources

Study Purpose and Key Themes from Panel Interviews

Sheila Dezarn reviewed the primary purpose for this study – to identify the state role in public transportation and develop a statewide blueprint for public transportation to guide state investments. This work is to take a broader look at public transportation. In addition, Senator Haugen stated that one of our purposes is to ferret out which laws prevent innovation and creativity so we can move forward in the future.

Barbara Gilliland reviewed the themes that came out of the interviews with individual panel members. Four overarching themes came out during her discussions regarding the key areas where the panel should focus:

- One size does not fit all – need a mix of strategies, goals, roles, and programs
- Focus on the big picture – emphasize multimodal and connective services
- Meeting state goals – reduce barriers to cost effectiveness and address urban and rural issues
- Funding – focus on sustainability, coordination, and funding flexibility

The panel discussed the need to develop innovative solutions that did not necessarily call for greater funding from the state. This included discussions regarding joint use/funding of existing park and rides, looking at city policies regarding parking and the use of other existing lots as park and rides. Review of federal and city restrictions may be necessary to remove barriers to use. The benefits of allowing private providers to use or lease space at park-and-rides was also discussed, which was supported by

those who were involved in special event transportation. In addition, a suggestion was made to consider intermodal connectivity outside of traditional transit modes.

Possible technology innovations could be useful for better integration, especially improving connectivity between bus and ferry passengers.

There is a need to better understand changing demographics and land use decision impacts on public transportation. This includes looking at how health care changes and the needs of elderly populations are changing.

Phase 1 – Research and Analysis

The PB team then gave a series of presentations providing background and summarizing beginning research in three key topic areas: Existing State Role; Unmet Public Transportation Needs and Performance Management. Sheila Dezarn began the discussion by outlining that states generally serve four types of functions.

- Policy – planning – leadership
- Direct involvement in providing services and/or facilities
- Funding
- Oversight – coordination

This overview was followed by presentations and discussion in each research area.

The Existing State Role: PB researcher Allison Dobbins presented initial findings in this area. She discussed federal requirements and related state-supported services/programs, legislation, and policies. The state's current activities are broad and include activities in each state functional area. The state plays an active role in policy and planning; it operates elements of the public transportation network including the Ferry and HOV systems; it manages some federal grants, authorizes taxing options for local and regional transit providers; it provides some direct state funding for capital and operational needs; and finally, it provides coordination services and some monitoring.

Discussion following this covered a number of areas. This included discussion regarding state policies, economic development and funding as the drivers of public transportation interests.

GMA/CTR

- It was suggested that the team review GMA policies and/or reports regarding Facilities of Statewide Significance as a resource to identifying needs related to overall mobility
- State facility siting decisions through GSA should be reviewed for accessibility to public transportation
- Legislation encourages reduction in vehicle use and promotes better land use integration and use of non motorized solutions
- Better support for employer programs to encourage other modes of travel to work

Economic Development

- Look at how investment in public transportation can lead to development and target support to these types of investments
- Look at MPO/RTPO plans for linkages between public transportation investments and economic development initiatives

Funding

- Review the funding split between federal/state/local programs
- New federal opportunities such as Livable Communities Initiative and Veterans Transportation
- Look at revised grant criteria that focuses on objectives such as reduced VMT and/or sustainable communities
- Development of cooperative purchase programs for multiple agencies

Finally, there were general comments made about the use of facilities, and that programs should focus on improving bus services into and around urban areas. Urban transportation bus systems are the largest provider of services.

Unmet Needs: PB researcher Larry Sauve also presented his initial review of documents that outlines unmet needs in public transportation. This research topic provided a review of current types of public transportation programs, a review of current funding options, and a discussion of emerging issues and trends. Emerging issues and trends included:

- Recession – effects of sales tax declines on operating revenues and the deferral of capital programs
- Roadway capacity expansion limitations in urban areas are leading to greater emphasis on public transit
- State policies that increase demand for public transportation such as recent Green House Gas and Commute Trip Reduction legislation requiring reduction in vehicle miles of travel statewide
- Demographic trends of an aging population that is tending to move to rural areas

Key comments included:

- Revenue shortfalls in the near term can affect funding streams for years to come
- Current service cuts and delayed capital projects can have a long term effect on the ability of agencies to expand/enhance service in the future, because we have lost critical infrastructure
- We need to understand the split between dollars needed for capital versus those necessary for ongoing operations
- CTR is a good example of public/private contribution that results in an 18:1 return on investment
- There is a difference between addressing needs of the voluntary rider versus the needs of a transit-dependent rider

There were questions regarding overlapping services, especially between different state programs and if there were better ways to coordinate and use dollars more effectively. An example could be yellow school bus services and public transit services that often serve a similar market.

Performance Management: PB researcher Lauren Isaac began the discussion by defining what performance management is, how it links to goals and how states use performance management in planning, operational, and funding decisions. She noted that there are differences between the ways a state might use performance management versus how transit agencies choose to monitor performance. She highlighted Washington State's transportation goals, which include:

- Economic Vitality
- Preservation

- Safety
- Mobility
- Environment
- Stewardship

Washington reports its performance management in the "Gray Notebook," Transit Development Plans (TDPs), and the Summary of Public Transportation. This discussion was followed by a presentation from Jim Jacobsen of King County Metro on how King County Metro monitors performance and why.

Comments focused on the need to develop metrics that could be comparable across the state and integrated with the rest of the state. Some concepts proposed included amount of service per capita; amount of service per riders served; or asset utilization.

Range of State Roles

As an introduction to the next workshop, Jeff Morales, Senior PB Advisor, gave an overview of what other states are doing in terms of involvement in public transportation. He reviewed the levels of involvement of a number of states in public transportation including: Maryland, Virginia, and Texas. This provided a spectrum of possible state involvement levels that range from limited involvement in Texas to very active and direct in Maryland.

Comment and Follow-up

The panel had an opportunity to voice additional comments and questions after the presentations. There was a comment regarding a possible difference between what is "needed" versus "wanted" to meet public transportation goals. This generated an additional comment that the state is also in the same financial situation of reduced revenues due to the recession and the lack of "deep pockets" to meet all needs.

There was a general observation that there should be some serious review to assess the ability for public transportation to address state policies.

There was some question regarding the public perception of the need for public transportation and that there may be more education necessary to really emphasize the role public transportation plays in the overall state network. This generated a comment that when looking at that picture that some elements and measures will not apply to all agencies and the local options should be allowed.

Finally, there were clarifying questions regarding the process moving forward.

- Will the state provide direction on goals or will the panel have some input? The panel's role is to suggest possible goals that fit within the overall state transportation framework. It was reiterated that it is not the goal for the panel to agree on all aspects of the suggestions given to the state. We will strive to reach agreement where possible, but the primary goal is to gain input on the things the state should take into consideration as it discusses its future role.
- What is the ability to engage the public? Future meetings will include a public comment period.

Meeting was adjourned after a short discussion on the possible dates for the next workshop.

Meeting Summary

JTC State Role in Public Transportation
Public Transportation Advisory Panel – Workshop #2

Friday, August 6, 2010
10:00 a.m. – 3:00 p.m.
Sound Transit Union Station – Ruth Fisher Board Room

In attendance:

- Senator Mary Margaret Haugen, Senate Transportation Committee Chair
- Representative Judy Clibborn, House Transportation Committee Chair
- Senator Brian Hatfield, District 19
- Senator Curtis King, District 14
- Representative Jim Moeller, District 49
- Representative Marko Liias, District 21
- Representative Terry Nealey, District 16
- Katy Taylor, WSDOT
- Kelly Scalf, Rural Resources
- Levi Wilhelmsen, rider
- Richard DeRock, Link Transit
- Jim Jacobson, King County Metro Transit (alternate)
- Martha Rose, Island Transit
- Joni Earl, Sound Transit
- Page Scott, Yakima Conference of Governments
- Charlie Howard, Puget Sound Regional Council
- Rick Benner, Western Washington University
- Jim Stanton, Microsoft
- Ted Horobiowski, Avista Corp.
- Virginia McIntyre, League of Women Voters
- Karen Stites, Amalgamated Transit Union, 1765
- Alice Tawresey, former Transportation Commissioner
- Gladys Gillis, Starline Luxury Coaches
- Tom Jones, Consultant

Not in attendance:

- Senator Dan Swecker, District 20
- Representative Mike Armstrong, District 12
- Hans Van Someren Greve, Stemilt Growers
- Chuck Ayers, Cascade Bicycle Club
- Dave O'Connell, Mason County Transit

The second workshop with the Joint Transportation Committee (JTC) Public Transportation Advisory Panel was held on August 6, 2010. The workshop was attended by 23 of the Advisory Panel members. The Parsons Brinckerhoff team, led by Sheila Dezarn and Barbara Gilliland, introduced the agenda for the workshop and turned the floor over to Bill Millar, President of the American Public Transportation Association.

Federal Perspective from Bill Millar, APTA President

Bill Millar began his presentation by reminding the audience that Washington is not the only state with funding issues. Many agencies are facing critical concerns related to funding ongoing operations. He offered a number of statistics to frame the Panel's discussion related to public transit:

- 84% of transit agencies across the country have implemented some sort of service cut, layoffs and/or fare increase to address declining revenues.
- 58% of those who use transit do it for work; 11% use transit for education/training

- Public transportation is the only form of transportation that is a net saver on carbon consumption.

He also noted some of the issues that the federal government is considering. They are also trying to reconcile funding realities and the ongoing funding dilemmas. There are pressures to look at the transportation network and address system pressures through increased intermodalism and serving basic mobility needs. They are considering how to measure performance and develop strategic goals. Issues similar to the questions this study is considering.

He noted that Washington's funding participation in public transit is limited and that its focus has been on distributing the dollars to meet special needs transportation. However, he noted the progressing programs such as the Commute Trip Reduction (CTR) program and Washington's transit agencies ability to attract formula and grant dollars. Mr. Millar suggested Washington offer matching funds for federal money to help guide the best choice of projects. Focus on making sure there is new investment instead of reallocated funds.

Finally, Mr. Millar noted that Washington has done a good job focusing on economy, environment, and education.

Comments from the panel included Representative Clibborn noting that that Washington helps to fund transportation by allowing RTAs to levy local option taxes. Representative Moeller also commented that there is a different between investments and financing. He suggested that more financing options should be explored to expand the use of existing funds and develop new user pay funding sources.

Introduction

Deputy Project Manager Barbara Gilliland reviewed the primary purpose for this study – to identify the state role in public transportation and develop a statewide blueprint for public transportation to guide state investments. "Investment" was defined as funding and related to *how* the state invests time and resources.

Barbara reviewed the themes that came out of the interviews with individual panel members. Four overarching themes came out during her discussions regarding the key areas where the panel should focus:

- One size does not fit all – need a mix of strategies, goals, roles, and programs
- Focus on the big picture – emphasize multimodal and connective services
- Meeting state goals – reduce barriers to cost effectiveness and address urban and rural issues
- Funding – focus on sustainability, coordination, and funding flexibility

Barbara discussed the questions Workshop #2 was aimed to answer, centering on the idea of "What should be the state's role in public transportation?"

- Are there current roles that should be reduced or eliminated?
- Are there current roles that should be enhanced or expanded?
- Should the state take on new roles?

Current State Role in Public Transportation

Project Manager Sheila Dezarn provided a preview of key findings, discussing how the state plays a range of roles and a spectrum of functions including:

- An active role in setting a broad policy framework and developing a comprehensive statewide transportation plan
- A significant role in directly funding and operating two major systems – the Washington State Ferries and HOV system
- Primarily a policy role for public transit agencies – authorizing their formation and local funding options
- A relatively small role in direct funding for public transit agencies
- A broad coordination and oversight role that reflects level of state involvement

Sheila gave an overview of current state roles, broadly summarized as the following:

- *Policy & Planning:* WTP 2030 establishes a broad policy framework. Six state goals are established that drive investment decisions.
- *Direct Involvement:* The state funds, operates and manages the Washington State Ferries and the High Occupancy Vehicle system. The state also has a role in the Amtrak Cascades, Travel Washington, and the park-and-ride system. Intercity connectivity receives a significant contribution.
- *Funding*: There is significant state investment in ferries, HOV system, and intercity passenger rail. A multimodal account funds a variety of public transportation services.
- Oversight & Coordination: The requirement of TDPs and the Gray Notebook provide statistics and performance reports. The WSDOT Public Transportation Division plays a broad, comprehensive role.

Existing WSDOT Roles – Katy Taylor, WSDOT

Katy Taylor noted that WSDOT runs a number of programs: CTR, GTEC, vanpool, regional mobility grants, park-and-rides, and Travel Washington (intercity bus). WSDOT also provides resources and assistance in the form of grants.

Katy's presentation prompted a number of discussions from the Panel. Representative Moeller asked about WSDOT's greatest challenges. Katy responded that they are the following:

- Adding service to take over cut Greyhound routes
- Efficiency in the delivery of the special needs programs
- Taking a holistic approach to embracing all modes and intermodal opportunities
- High degree of coordination with public transportation providers as well as MPO's.

Senator Haugen commented that the state is criticized for not investing money in public transportation, but we must consider investment in all forms of public transportation and special programs.

Joni Earl asked how the WSDOT Public Transportation Division works with the rail division of WSDOT. Katy answered that there are common touch points where they coordinate. The Panel has the ability to rethink how the DOT is organized and coordinated. Changes could be considered as a part of the process an example could include moving the bicycle/pedestrian department to within Public Transportation.

Break-out Sessions

Two break-out sessions occurred to help frame the Panel's thoughts on the state's current and future role. The first break-out session answered the following questions:

- Are existing state public transportation resources and funding focused on the right issues and priorities?
- Do the current roles address the state's emerging and/or unmet needs?
- Do the current activities support statewide transportation system policy goals as established by the Washington State Legislature?

The second break-out session answered the following questions:

- Are there existing state roles that should be reduced or eliminated?
- Are there existing state roles that should be enhanced or expanded?
- Are there new roles that should be added?

The following summarizes the voting around the future state role areas. The top 5 vote receivers, listed in order included:

1. Reduce silos (consolidate grant competitors and budgets)
2. Provide more flexibility in state programs (e.g. 18th amendment)
3. Align reporting/planning of schedules
4. Streamline regulations
5. Take year-to-year unreliability out of funding

A summary of the specific comments related to these five areas is provided after the table attached. Also included are the detailed responses from each group for both breakout sessions.

State Peer Review Highlights

Prior to the break-out session debrief, Sheila gave a short presentation to inform the Panel of the highlights of the state peer review. The states reviewed were Texas, Florida, Tennessee, California, Pennsylvania, Maryland, and New Jersey. Highlights included:

- *Policy & Planning:* Most states require some form of TDP.
- *Direct Involvement and Funding:* States vary from states that have a very active engagement in the provision of public transportation such as New Jersey and Maryland whom directly operate and fund public transportation. Other states such as Tennessee and Texas have very limited roles.
- Oversight & Coordination: All interviewees emphasized the role of the state in coordinating with and among public transportation agencies. Incentives for sustainability and transportation/land use coordination are starting to play a growing role.

Comments and Adjourn

The general sentiment during and after the break-out sessions was positive. The panel discussed key observations and learning from the break-out sessions these included the following:

- Many members noted new information that they hadn't understood before:
    - There are many parts of state government that impact public transit providers (Earl)

  - Better understanding of the public transportation division responsibilities (Representative Liias)
  - Laws/statutory issues that affect provision of services (Wilhelmsen)
- It was noted that the "silo" story is a difficult one to address (DeRock)
  - Run into unintended consequences of policy decisions, achieving GMA results when service is being cut because of funding issues.
  - That coordination has a cost
  - There is a huge gap in funding needed to continue current service. The state needs more revenue as well as greater efficiency
  - Eliminating silos is easier said than done. For example, GMA can be in direct conflict with providing rural transportation (Tom)
- Coordination is happening and does work. However, it doesn't necessarily save money due to the need to serve more destinations.
- Some Panel members expressed that growth management and land use ideas have potential.
- Senator Haugen noted that we need to consider those who represent social and health services. These priorities may not be the same across the state. Accessibility costs are high but are a key community service for transit-dependent populations. DeRock added that access and costs for providing service for disabled and transit dependent populations needs to be reexamined.
- Transportation must be more customer "centric" and focus on time, cost and quality (Gillis). Are we funding the right things that promote efficiency? Stanton highlighted things can be learned from the private example and how they are working. It is a clearing house for good information as well as serving different markets.
- Policy decisions are just as important as funding decisions. We need to develop a step by step process/framework on how improvements are implemented over different time horizons. This will allow for flexibility to alter approaches depending on funding availability (Moeller). Clibborn added that it will be important to look outside silo's for options as within. However, other noted that how far should we go in consideration of new sources? (King)

The floor was opened to public comment, of which there were none. I

Representative Liias made a recommendation that all members try to use the public transportation system to get to the next meeting. Sound Transit CEO, Joni Earl offered to do trip planning for members to the next meeting.

The meeting adjourned after confirmation of the final two meeting dates, times and locations:

- **Workshop #3** September 29th at the Puget Sound Regional Council from 10-3.
- **Briefing #4** October 27th at Sound Transit from 10-1.

Summary of Breakout Session 2 Voting
The State Future Role

Change Suggestions Voting Summary Table

Change Suggestion	Group 1 Votes	Group 2 Votes	Group 3 Votes	Total Votes
Added/New				
Consider economic vitality along with population centers		●	●●	3
Require school and human services to track transportation costs	●●			2
Add "whole system" multimodal planning	●	●	●●●	5
Expand coordination roles	●			1
Award grants for TOD and modal coordination	●		●	2
Expand PPP at major transit hubs		●		1
New transportation facility siting	●	●●		3
Enhanced/Expanded				
Consider net financial benefit of decisions	●		●●●●	5
Expand vanpool eligibility	●●	●●		4
Take year-to-year unreliability out of funding	●●●●	●●●	●	8
Prioritize "economic vitality" as a goal	●		●●●●	5
Better coordination with DSHS and GTECs	●	●		2
Statutory flexibility and guidance		●	●	2
Award state dollars and incentives to improve interconnectivity		●●●●	●	5
Add more parking			●	1
Prioritize performance measures being tied to state goals	●●●	●●	●●	7
Provide more flexibility in state programs (e.g. 18th amendment)	●●●●	●●●●●●	●	11
Streamline regulations	●●●●	●●●●	●	9
Private provision of transit services	●●●			3
Reduced/Eliminated				
Reduce silos (consolidate grant competitors and budgets)	●●●●●●	●●●	●●●●● ●●●●●	19
Reduce counterproductive taxing strategies	●●	●	●	4
Align reporting/planning of schedules	●●●●	●●●●●	●●	11

Group 1: Policy Makers and Planners
Group 2: Public Transportation Providers
Group 3: Public Transportation Users

The next page summarizes the specific comments mentioned related to the top 5 vote categories. All comments and suggestions received for breakout sessions 1 and 2 are recorded below.

Summary of Top Vote Categories with Comments

- Reduce silos (consolidate grant competitors and budgets) – Top total votes; Top vote receiver for Group 1 (Policy Makers/Planners) & Group 3 (Public Transportation Users)
    - Expanded coordination role – with incentives
    - Grants for TOD and modal coordination
    - State seed would leverage federal dollars
    - Need for the state to assist with interconnectivity within different taxing authorities
    - Can we make some grant-funded changes without money?
    - Should cross-pollinate across agencies by mode (bus and rail) and jurisdiction
    - Consider looking at all the dollars in one pool, and decide how best to spend

- Provide more flexibility in state programs (e.g. 18th amendment) – Top votes for Group 2 (Transit Providers)
    - Airspace lease
    - Use of park-and-rides
    - Deadheading by private operators
    - Space usage on highways, etc. (Advertisements on park-and-rides, fees for pullouts)

- Align reporting/planning of schedules (favored by Groups 1 and 2)
    - State and federal requirement should overlap more efficiently
    - Need for holistic data to allow holistic discussions
    - TDPs are only for transit systems, but could be required for other transportation providers
    - Gray Notebook may be too detailed
    - Biennial reporting instead of annual?
    - Rural services/WTP updates are out of sequence

- Streamline regulations (favored by Groups 1 and 2)
    - Review to adjust and align regulations to achieve state goals

- Take year-to-year unreliability out of funding
    - Buses and ferries often get cut and capital therefore isn't invested
    - Define the baseline level of service
    - Tie funding to performance measures and best practices
    - Tie funding to state goals
    - State must continue to fund rural and special services transportations
    - Level of current funding is not in line with the state's transportation goals
    - Note that funding sources can be state, local, federal, or from transit agencies (much of the infrastructure funding for state projects comes from Sound Transit or other transit agencies)

- Transit funding balance between congestion and special needs
- State dollars should be better focused – not spread

Detailed Summary of Breakout of Session 1

Group 1 – Policy Makers and Planners

Policy/Planning

- Focused on trip not mode
- Focus on potential for greatest improvement

Service Provision

- Coordinate with private sector and other agencies
- Go where greatest impact

Funding

- All dollars in one pool to finance biggest bang for buck
- Seed money to leverage investment
- Maximize system performance regardless of mode
- Transits aren't using 0.3% POF
- State dollars should be better focused – not spread
- Financial incentives should drive grater match
- Need non-financial incentives
    - GMA
    - Require connectivity planning
    - Remove barriers to private services

Oversight/Coordination

- Has WTP/TDPs accomplished measureable performance?
- Eliminate local and lode silos (ferry system transit, rail, emergency response)
- Consider outsourcing (operations, capital, planning)
- Consider improvements in one mode to benefit other mode

Group 2 – Public Transportation Providers

Policy/Planning

- Be advocates for PT
- Human services are underrepresented, need to raise profile
- Rural services/WTP updates are out of sequence
- Medicare transportation planning needs integration
- Note that funding sources can be state, local, federal, or from transit agencies
    - Some state funding doesn't come out of PT budget
- Much of the infrastructure funding for state projects comes from Sound Transit or other transit agencies

- Programs that further CTR-type programs provide benefits
- Be mindful of the interrelated roles of state departments and their effects on PT decisions/policies
- Reliable funding doesn't exist for PT
- Need for coordination between other organizations' policy decisions and effects on transportation providers
    - i.e. Community college transportation and adult day care
- What is the minimum requirement for transportation mandated by the state?

Service Provision

Space usage on highways, etc.

    - Space and pullouts require potentially unnecessary fees
    - Advertisements on park-and-rides
    - Clarification on highway purpose
    - Consistency
    - Broadening interpretations
- Connectivity between urban and rural service
    - Intercity bus helps, but how much?
    - Includes charter services, special needs, DSHS, veterans
    - Build on benefits of intermodal connections, especially with private providers
- Need for the state to assist with interconnectivity within different taxing authorities
- Better off-peak access to public facilities
    - Creates the need for private providers
    - Need to utilize transit-only lanes and transit zones for off-peak provision of private transportation
    - May be a local partnering solution

Funding

- Need an appropriate role for state funding
    - Identify a stable source for transit
- State must continue to fund rural and special services transportations
    - Rural services require less funds comparatively
- Free walk-on ferry service
- Level of current funding is not in line with the state's transportation goals
- Awards of grant funding may not be allocated efficiently
    - Can we make some grant-funded changes without money?
- Can the state charge for parking in a park-and-ride lot
    - Overall question of allowing local agencies to run park-and-rides with more autonomy

Oversight/Coordination

- Schedules for TDPs, NTD data are not coordinated
    - Results are helpful
    - State and federal requirement should overlap more efficiently
    - TDPs are only for transit systems, but could be required for other transportation providers
    - Need for holistic data to allow holistic discussions

    - Data collection
    - Multiple audits
    - Gray Notebook may be too detailed
- Need for tie-in between performance measures and funding
- Biennial reporting instead of annual?
- ACCT requirement must be reviewed for intent

Group 3 – Public Transportation Users

- Should WSF be
    - locally and regionally controlled
    - outsourced to private sector
- Emergency response key role for ferries, e.g. 9/11
- Transit authorities have 0.3% authority for passenger ferries
- Policy/planning are siloed – should cross-pollinate across agencies by mode (bus and rail) and jurisdiction
- Not enough coordination among services – train, bus, ferry. Focus on the trip rather than the mode
- What is real effect of
    - WTP
    - TDPs?
    - What are the measureable effects?
- What performance measures and marketing forces drive funded programs?
- Limited dollars drive program focus
- Consider looking at all the dollars in one pool, and decide how best to spend (too many silos)
- Erosion of state investment
    - CTR $1/$18
- CTR/HOV = dollars well-spent
- Need more seed money that draws partnership investments
- Target state CTR dollars to smaller/medium basis who can't afford to partner. Microsoft doesn't need it
- State's PT investment is tiny for most entities
- State needs carrots/sticks to drive local coordination and connectivity
- Incentives from state
    - Remove barriers to private providers expanding service to non-employees (Microsoft)
    - Dollars to improve connectivity
    - Require connectivity analysis by local transit agencies to force/encourage connectivity
- Polices to encourage TOD
- State highway design should include queue-jumping and other ways to increase transit ridership
- Colleges/universities need dollars to help finance park-and-rides, bus service. Not getting enough for current state/local programs. State dollars are too peanut-buttered – should be more focused

Summary from Group 3

Right priorities now

- Policy framework is in place (vs. funding)
- Hard to measure success of this effort
- Tighter linkage between goals and dollars
- Using cost measures more effectively
- State role to provide basic mobility statewide?
- Better alignment of transportation and other policies (e.g. GHG, education, health, etc.)
    - Coordination of transportation and other budgets
- Tolling projects/transit capacity
    - Social equity

Unmet and emerging needs

- Aging demographics requires shifts in policies and funding
- Transit funding balance between congestion and special needs
- Coordinated services
    - Perhaps requires funding
    - Link new funds as incentives
    - Reward connectivity
- Linking state assistance to GMA
    - To support TOD
    - Local policies/actions
- Military – coordinate development

To improve

- More efficiency/coordination in service delivery
- Duplication of
    - Services
    - Facilities (maintenance bases, etc.)

Detailed Summary of Breakout Session 2

Group 1

Added/New

- Public transit in concurrence and GMA link local actions to transit service
- Prioritize performance measurement and reporting – best practices (see TCRP report)
    - Votes: G1-3, G2-1, G3-2 (one G1 yellow)
- Ultimately – tie funding to performance measures and best practices – tie to state goals (e.g. connectivity across regions)
- Review and set priorities
- WTP – short as well as long-term priorities – more emphasis on public transportation

Enhanced/Expanded

- Mechanism for innovation funding
    - E.g. WWU parking

    - Broaden the tent
    - Recognize multi-year funding
    - Cost effectiveness
    - Performance measures
- Provide more flexibility in state rules/programs to help leverage more resources (e.g. 18th amendment flexibility and gifts of public funds) to achieve state goals
    - Votes: G1-4, G2-6, G3-1 (two G1s, and four G2s, and 1 G3 are green)
- Livable communities approach (across agency – DOT/commerce/eco/etc.)
- Regulatory streamlining
    - Review to adjust and align regulations to achieve state goals
    - Less constraining
    - Votes: G1-4, G2-4, G3-1 (one G1 red and one G2 green)
- Private provision of transit services
    - Votes: G1-3
- Advocacy and education role on all transportation programs and opportunities across agencies (and inventory of all policies that affect public transportation)

Reduced/Eliminated

- Need new transportation facility siting
    - Process – streamline process for faster delivery – essential public facilities
    - Votes: G1-1, G2-2
- Less frequent reporting, align reporting/planning of schedules
    - Votes: G1-4, G2-5
- State-level planning JTC study

Group 2

Added/New

- State dollars for transit operations – targeted at state highways
- Expanded coordination role – incentives
    - Votes: G1-1 (yellow)
- Grants for TOD
    - State seed would leverage federal dollars
    - Votes: G1-1
- State develop better interlocal agreements for transit "modal agreements"
- Grants for modal coordination
    - Mode
    - Public/private
    - Votes: G3-1
- Expand PPP at major transit hubs
    - Need different strategies to reduce barriers
    - Require living wage jobs
    - Votes: G2-1
- Feet and bike access
    - Focus on state facilities

- PPP as revenue generator
    - Votes: G1-1
- Parking in pools with private sector – use church parking lots, for example
- Focus on whole trip regardless of mode – "Get me from point A to point B quickly"
    - Votes: G3-2 (one is yellow)

Enhanced/Expanded

- Better coordinate with DSHS, commerce – telework, GTECs
    - Votes: G2-1
- Statutory flexibility and guidance
    - Votes: G3-1
- State dollars to improve connectivity among systems and modes
    - Within existing dollars by different weighting of priorities
    - Votes: G2-3 (all green)
- Forcing coordination among systems
    - Votes: G2-1, G3-1
- CTR & GTEC
    - Votes: G1-1
- More parking – multimodal includes cars
    - Votes: G3-1
- Target performance measures to state goals
    - Votes: G2-1
- Audits and performance measures at finish HOV system
- Finish HOV system

Reduce/Eliminate

- Reporting coordination should be improved – statutory review
    - Votes: G3-2 (one is yellow)
- Silos – admin barriers among modes
    - Votes: G1-1, G2-2
- Budgetary silos to gain flexibility
    - Votes: G1-1, G3-1
- State management/ownership of local facilities
- Contract out park-and-ride development
- Statutory barriers to coordination/service provision
    - Air space leases
    - Votes: G2-1
- Narrow interpretation of state law
    - Airspace lease
    - Use of park-and-rides
    - Deadheading by private operators

Group 3 -

Added/New

- Restructuring to reduce silos and competition
  - Votes: G1-2, G2-1, G3-4
- Consider economic vitality as well as population centers
  - Votes: G2-1, G3-2
- Requiring schools and human services to track transportation costs
  - Votes: G1-2
- Understand GHG requirements
  - Make goals achievable
- Allow for grant requests that aid smaller bidders and new projects
- Add "whole system" planning/more resources
  - Highways need to be considered in concurrence with transit
  - Votes: G2-1, G3-1
- Use employer tax break as a CTR incentive

Enhanced/Expanded

- Consider an impacts analysis (net financial benefit)
  - Total cost outside of just transportation considerations
  - Votes: G3-2
- Expand vanpool eligibility
  - Votes: G1-2, G2-2
- Expand what we measure to increase efficiency
  - The right measures (define what we measure)
  - Measure performance
- Take unreliability out of funding ("up and down")
  - Buses and ferries often get cut and capital therefore isn't invested
  - Define the baseline services
  - Votes: G1-4, G2-3, G3-1 (one G1 and one G2 are green)
- Examine priorities and increase "economic vitality" as a goal
  - Votes: G1-1, G3-4

Reduced/Eliminated

- Reduced silos → Consolidate grant competitors
  - Votes: G1-2, G2-1, G3-5
- Rural transit service
- Only make cuts after considering a cost-benefit analysis and efficiency on state goals
  - Votes: G1-1, G3-3
- Reduce counterproductive taxing strategies, i.e. VMT.CTR programs funded with gas tax
  - Votes: G1-2, G2-1, G3-1

Meeting Summary

JTC State Role in Public Transportation
Public Transportation Advisory Panel – Workshop #3

Wednesday, September 29, 2010
10:00 a.m. – 4:00 p.m.
Puget Sound Regional Council

In attendance:

- Senator Mary Margaret Haugen, Senate Transportation Committee Chair
- Representative Judy Clibborn, House Transportation Committee Chair
- Senator Brian Hatfield, District 19
- Senator Curtis King, District 14
- Senator Dan Swecker, District 20
- Representative Jim Moeller, District 49
- Representative Marko Liias, District 21
- Katy Taylor, WSDOT
- Kelly Scalf, Rural Resources
- Levi Wilhelmsen, rider
- Richard DeRock, Link Transit
- Kevin Desmond, King County Metro Transit
- Dave O'Connell, Mason County Transit
- Martha Rose, Island Transit
- Charlie Howard, Puget Sound Regional Council
- Rick Benner, Western Washington University
- Chuck Ayers, Cascade Bicycle Club
- Jim Stanton, Microsoft
- Ted Horobiowski, Avista Corporation
- Virginia McIntyre, League of Women Voters
- Alice Tawresey, former Transportation Commissioner
- Gladys Gillis, Starline Luxury Coaches
- Tom Jones, Consultant

Not in attendance:

- Representative Mike Armstrong, District 12
- Representative Terry Nealey, District 16
- Joni Earl, Sound Transit
- Karen Stites, Amalgamated Transit Union, 1765
- Page Scott, Yakima Conference of Governments
- Hans Van Someren Greve, Stemilt Growers

The third workshop with the Joint Transportation Committee (JTC) Public Transportation Advisory Panel was held on September 29, 2010. The workshop was attended by 23 of the Advisory Panel members. The Parsons Brinckerhoff team, led by Sheila Dezarn and Barbara Gilliland, introduced the agenda for the workshop. Before beginning the workshop, the members discussed their experiences using public transportation to get to the meeting.

Getting to the Meeting

During Workshop #2, Representative Liias suggested that members try to use the public transportation system to get to the next meeting. Sound Transit CEO Joni Earl offered to do trip planning for Panel members. Comments on their trips included:

- Dave O'Connell took a Mason County Transit bus to a WSDOT Ferry. Connections worked well and it was easy to walk to the meeting.

- Richard DeRock found it too inconvenient to use his itinerary due to multi-modal connections adding to the total travel time – he would have had to leave the day before to make it to the workshop on time.
- Representative Clibborn couldn't take the first bus in her itinerary due to the lack of a crosswalk to get to the bus stop. This experience has prompted her to follow up on access to the stop.
- Katy Taylor drove in a carpool and bussed.
- Gladys Gillis took a bus.
- Martha Rose took Island Transit to a WSDOT ferry, and finally rode in a rideshare.
- Senator Hatfield had been staying at a hotel at the airport and took the Sound Transit Link Light Rail to the workshop. He noted a flaw that there is no designated space for luggage on Link.
- Representative Liias took a train and then walked.
- Virginia McIntyre had no transit options, but drove most of the way and then walked.

State Role in Public Transportation

Project Manager Sheila Dezarn reviewed the discussions from Workshop #2. Three questions were asked as part of the breakout sessions in Workshop #2:

- Are there current roles that should be reduced or eliminated?
- Are there current roles that should be enhanced or expanded?
- Should the state take on new roles?

Based on the Panel's comments during breakout session in Workshop #2, it was noted that the Panel did not recommend adding new state roles or eliminating current roles; instead, emphasis was placed on seeking better alignment and predictability in funding and greater flexibility both in the state role and on funding issues. Representative Liias pointed out that, based on the results from Workshop #2, transportation users and providers appear to have different priorities.

Five major suggestions were identified. Sheila Dezarn reviewed each area and solicited additional clarification from the Panel members.

1. **Reduce silos**
   - State could expand its coordination role
   - State could assist with interconnectivity
   - State grants could focus on coordination between modes or support transit-oriented development
   - State could pool dollars more and decide how best to spend those dollars
   - State could help leverage federal dollars

2. **Streamline regulations**
   - Review to adjust and align regulations to achieve state goals

3. **Provide more flexibility in state programs**
   - Use of park and ride facilities for private operators
   - Deadheading in HOV lanes by private operators
   - Airspace leases

- Use of space on state highways (fees, advertisements)

Comments
Regarding the use of space on state highways – The state currently imposes fees for improvements such as constructing transit shelters on the state's right of way. Shelter advertisement fees must go to the state's general fund instead of being earmarked for maintenance of the shelter or for meeting other public transportation needs.

- Judy Clibborn questioned if the general fund requirement is linked to federal highway funding instead of being a state issue. Richard DeRock answered that it is only a state issue. Katy Taylor suggested that there has been inconsistent past application of the law and there is a need for better coordination between different divisions within WSDOT.
- Senator Haugen suggested there is an opportunity to generate much greater revenue from advertising. There was additional discussion regarding revenue generating options related to park and ride usage; however either there are restrictions or lack of guidance on the conditions for use.

Regarding the permitting and transit related decision making processes – Senator Haugen noted that it appears that all actions require Olympia resolution or action. She suggested that more decisions need to be pushed to the regional level. Senator Swecker suggested that a more programmatic approach should be designed for guidance to clarify objectives. Several members noted long decision processes that are slowing project implementation: Jim Stanton noted that Microsoft wants to expand a ramp on a state highway and pay for it, but the permitting process is very complicated. Martha Rose said that she needs a permit for one shelter in Stanwood but it has been held up for 2 years.

Relating to access to public transportation services – Kelly Scalf commented that often decisions are made without considering how it affects peoples' ability to access services. She cited an example where local street parking was converted from parallel (easy for access for persons with disabilities, in wheelchairs, etc.) to pull-in angle parking (hindering access). There was a general discussion about how this also drives costs related to paratransit services and in general affects both capital and health costs. Chuck Ayers commented that every transit trip is a pedestrian trip. Pedestrian issues need to be considered.

4. <u>Align reporting/planning of schedules</u>

- State and federal reporting requirements should overlap for more efficiency
- Biennial reporting instead of annual
- Transit Development Plans could be required for other providers
- Washington Transportation Plan update and rural services out of sequence
- Gray Notebook may be too detailed
- Need for holistic data to allow holistic discussions
- Regarding alignment of reporting, Senator Haugen suggested a "light" version of the Gray Notebook that adds transit information.

Comments
Regarding the need for holistic data to allow holistic discussions – Richard DeRock suggested the need to look at measures on a broader level, not at too detailed a level. Representative Llias suggested that there need to be clear outcomes we are trying to measure against.

Regarding the suggestion for biennial reporting – Richard DeRock noted that there is not agreement among transit members on the Panel on the question of annual versus biennial reporting. The data needs to be reported to the NTD annually anyway, and providers would prefer to use data that is recent.

5. <u>Take year-to-year unreliability out of funding</u>

- Define the baseline level of service
- State must continue to fund rural/special services
- Transit funding balance between congestion and special needs
- Tie funding to state goals
- Level of funding is not in line with state's transportation goals
- Tie funding to performance measures/best practices
- State dollars should be better focused (not spread)

Comments

Regarding a transit funding balance between congestion and special needs transportation – There needs to be a trade-off between providing access or maintaining performance.

- Kelly Scalf suggested a basic level of transportation across the state is important. Charlie Howard said there is an issue of the growing costs of ADA service that eclipses fixed route service when budgets are stagnant. Katy Taylor said she agrees that paratransit is ripe for change with full integration into DOT, adding capacity and managing demand.
- Chuck Ayers said there are unintended consequences of park and rides. Funding levels need to be more flexible to address human health and congestion issues by encouraging more walking and bicycling as access to the public transportation system.

Representative Clibborn also noted that it is difficult to track where savings occur. Often the dollars end up in different locations during the budget process.

The discussion concluded with Kevin Desmond posing the question on how this process might result in a more multi-modal approach to assessing the state's transportation investments. Representative Liias added that while the discussion generally focused on enhancements or relatively modest modifications to the state's role, there is a desire to approach things in a different way. In particular, there is interest in moving away from the "silo" mentality.

Defining Unmet Needs

Larry Sauve provided a short presentation on findings resulting from the research conducted on unmet needs, current challenges and emerging trends. It was noted that unmet needs is a broad term and are not consistently defined or comprehensively described or reported in any document. For purposes of this research, unmet needs were broadly defined as:

- Services or facilities as identified by individual provider policy boards or agencies which could not be provided
- Needs associated with the current recession, where services are being reduced
- Deferrals of system expansion plans also associated with the recession
- Needs identified in various forums or reports (e.g., connectivity) but not systematically documented

Several members noted that the existence of a gap between desired and available service doesn't automatically constitute a "need."

An overview of the public transportation available in the state was provided and the constraints caused by reductions in current public transportation revenues. Outside of revenue constraints, the following service coordination unmet needs were identified:

- Intermodal connections at state ferry terminals
- Connections between modes and systems
- Public information about specialized services that are available

In conclusion, a number of emerging trends and implications for public transportation were discussed.

- *Emerging Trends*
  - Growing demand for public transportation services as population and employment continue to grow
  - Aging population, growing at a faster rate in rural counties
  - Shifts to public transportation due to climate change initiatives and pricing initiatives (e.g., tolling)
  - Continued funding limits and uncertainties

- *Implications for Public Transportation*
  - Higher potential demand at a time of fiscal challenges
  - Prioritization of resources to maximize results

Transit Provider Perspectives

Kevin Desmond, Richard DeRock, and Dave O'Connell made a presentation that provided background and metrics on transit's role in addressing state goals. Each of the six state goals was presented with examples of transit's efforts to fulfill each goal. Transit's partnerships with the state were also highlighted and a point was emphasized that another goal the state might want to consider is access. Access to transit is a key element for making the system effective.

The presentation spurred a number of comments from Panel members.

- Senator King reminded the Panel of the importance of moving goods from Eastern Washington to Western Washington. The current efforts of stopping slides along I-90 help, however tolling SR-520, and modifying the Mercer Island area of the I-90 bridge to accommodate light rail will impact the capacity available on this corridor. Richard DeRock noted that the I-90 bridge and mountain pass are the biggest points of congestion for travelers to Wenatchee.
- Kelly Scalf pointed out that national healthcare reform will increase the number of non-emergency medical trips and increase demand for specialized services.
- Katy Taylor asked what state role would be most beneficial to transit? Responses included efforts to increase transit speed and reliability, such as using transit signal priority, incentives to improve access to transit and the creation of more predictable and stable funding resources.
- There was much discussion about how technology can also be a useful tool. Transit agencies have information that could be used to improve communication and knowledge of passenger flows. However, transit agency representatives noted that the costs for these types of improvements can

be very high. There was some discussion about the role of the public versus the private sector in this area.

- Tom Jones cautioned about being overly optimistic about the state's ability to take on too many, if any, new issues or programs.

Revised State Role and Unmet Needs

A chart containing the summary from Workshop #2 augmented with additional information from the research on unmet needs was posted at the back of the room. Panel members were asked to vote for their top two priorities for state focus. The top areas included:

- Funding –
  - Public transit revenues declining (4 votes)
  - Funding – Improve funding reliability (6 votes)
  - Funding – Provide more flexibility in state programs (5 votes)
- Service Provision – Need for improved connections between modes, including bus, commuter rail/light rail, ferries and non-motorized (5 votes)
- Policy/Planning – Streamline regulations (5 votes)

Performance Measures

Eric Roecks presented an overview of how a performance management framework works and introduced the six performance measurement principles, which are that measures should be:

- Linked to goals
- Accepted by stakeholders
- Actionable
- Credible
- Timely, and that there should be
- An appropriate number of measures

It was noted that there is a distinction between performance *measures* versus *metrics* – with measures being broader concepts (*what* do we want to measure), while metrics are the actual calculations, ratios, or percentages (*how* we measure). For this discussion, we were focused on measures.

The group was shown a list of performance measures that could potentially be linked to each of the six state goals and asked to discuss the measures that would provide a good barometer on how the public transportation network is performing.

Major areas of emphasis that much of the group agreed on are as follows. It was noted that in general the Panel agreed that they believe there should be fewer measures and that some measures could serve more than one goal.

Although the panel spent time talking about each goal and suggested some key measures that would be good for each, the majority of the time focused on measures relating to the Mobility and Stewardship goals. At the end of the discussion many members agreed that in addition to these key areas that

measures related to economic vitality were also important. The following summarizes the key elements members recommended focusing on:

Mobility – the discussion revolved around access to services and in, the urban areas, addressing congestion.

- Congestion mitigation and chokepoint relief
- Access to the public transportation system
- Connectivity
- Consumption of service – ridership measures

Stewardship – a lot of this discussion focused on getting to the right measures for cost, efficiency and effectiveness. However, it was noted that the "value" should not only relate to cost but also to the intrinsic value associated with providing basic mobility.

- Cost (passenger miles per gallon, cost per revenue mile)
- Cost and revenue balance (exclude paratransit/Medicaid services?)
- Physical and health environment issues
- Safety (age of fleet and accident data)

Other measures discussed related to environmental and physical health, such as greenhouse gas (GHG) emissions and vehicle miles traveled (VMT) reduction, and safety such as fleet age and accident data.

Developing Recommendations – Initial Observations

Sheila Dezarn discussed eight preliminary recommendations developed by the consulting team. The recommendations and comments on each recommendation are summarized below.

Policy/Planning – Initial Recommendation 1

To address mobility issues in the future, develop policies that require key state services (e.g., health care, human service, etc.) to be located for accessibility.

- Richard DeRock suggested that this recommendation should note also that minority populations are increasing, which use transit at a much higher rate. Also, housing authorities should be linked to transit.

Operations – Initial Recommendation 2

Define what level/elements of connectivity are important to the state network. Clarify roles of different service providers (i.e. state, transit, private, non-profit, etc.). Develop a comprehensive set of policies to guide conditions and circumstances for the usage of supporting infrastructure (i.e. HOV lanes, P&R's, bus/transit lanes, etc.).

Funding - Initial Recommendation 3

Provide additional local options to ensure more predictable and stable funding, *and/or e*stablish new state funding source(s) that are directed at state goals and priorities (when feasible).

- Alice Tawresey suggested to the Panel that this recommendation should extend to ferries.

Funding – Initial Recommendation 4

Explore shifting from a grants program to a formula funding program, and/or explore more flexible ways to deliver service.

- Rick Benner said that formula funding can be problematic if the pot of funding declines and it doesn't address the size of the funding source being used.

Funding – Initial Recommendation 5
Place greater emphasis on tying Regional Mobility Fund grants to projects that improve connectivity and system integration: capital projects (e.g., intermodal facilities), service demo projects (e.g., to test and build market), and technology projects (e.g., traveler information systems).

- Richard DeRock commented on the issue of demo projects, noting that this recommendation makes an incorrect assumption that the local agencies would have continuing funding to maintain a service or project, not getting start-up capital.
- Kelly Scalf seconded that stable funding is important to help build ridership.
- Jim Stanton suggested that essential public facilities legislation should be expanded to include public transportation. Transit Now is a good pilot program that should be expanded.

Coordination/Oversight – Initial Recommendation 6
Seek to align reporting in terms of timing and requirements. Consider seeking information from private operators and special needs organizations to provide more robust information on overall system.

- Kevin Desmond asked what happens to the state report (which includes information from the state TDPs and the federal NTD reporting). What is the purpose of having both?
- Katy Taylor answered that the list of requirements has gotten long over time, and the two reports are due at different times of year. WSDOT has been trying to align the processes and that some elements are legislatively mandated.
- Sheila Dezarn noted that the issue related to this recommendation is to minimize data reporting duplication.

Coordination/Oversight – Initial Recommendation 7
Build on and broaden existing OFM Transportation Progress Report. Incorporate public transportation measures systematically into this report. Use TDPs to document how proposed service and capital programs will address system performance.

- Jim Stanton asked how can we look more broadly? He suggested there is too much data reporting and we should choose only the best measures.

Coordination/Oversight – Initial recommendation 8
State could serve as a clearinghouse for providing comprehensive public information on services available.
Other general comments

- Levi Wilhelmsen commented that land use being linked to transportation priorities should be more represented in these recommendations.
- Chuck Ayers recommended that metrics to measure economic impacts should also be included.

Comments and Adjourn

The floor was opened to public comment – former Transportation Secretary, Doug McDonald commented on performance measures. He suggested that it's impossible to create a limited set of performance metrics to suit everyone's needs. The Gray Notebook was meant to convey facts to the public and legislators. Reports need to be based on more current data. He recommended that the audience look into the quarterly ridership report from Sound Transit (4-page document) and the Community Transit monthly report – both have rich data and tell of challenges and services provided.

The meeting adjourned after confirmation of the final meeting date, October 27. This meeting was originally slated for 10-1 at Sound Transit, but the team hopes to find a new venue so the meeting can be extended later into the afternoon.

Meeting Summary

JTC State Role in Public Transportation
Public Transportation Advisory Panel – Workshop #4

Wednesday, October 27, 2010
10:00 a.m. – 4:00 p.m.
Microsoft

In attendance:

- Senator Mary Margaret Haugen, Senate Transportation Committee Chair
- Representative Judy Clibborn, House Transportation Committee Chair
- Representative Mike Armstrong, District 12
- Representative Marko Liias, District 21
- Katy Taylor, WSDOT
- Richard DeRock, Link Transit
- Kevin Desmond, King County Metro Transit
- Martha Rose, Island Transit
- Charlie Howard, Puget Sound Regional Council
- Rick Benner, Western Washington University
- Joni Earl, Sound Transit
- Jim Stanton, Microsoft
- Ted Horobiowski, Avista Corporation
- Virginia McIntyre, League of Women Voters
- Alice Tawresey, former Transportation Commissioner
- Gladys Gillis, Starline Luxury Coaches
- Tom Jones, Consultant
- Page Scott, Yakima Conference of Governments

Not in attendance:

- Representative Terry Nealey, District 16
- Senator Dan Swecker, District 20
- Representative Jim Moeller, District 49
- Senator Brian Hatfield, District 19
- Senator Curtis King, District 14
- Karen Stites, Amalgamated Transit Union, 1765
- Dave O'Connell, Mason County Transit
- Kelly Scalf, Rural Resources
- Hans Van Someren Greve, Stemilt Growers
- Chuck Ayers, Cascade Bicycle Club
- Levi Wilhelmsen, rider

The fourth workshop with the Joint Transportation Committee (JTC) Public Transportation Advisory Panel was held on October 27, 2010. The workshop was attended by 18 of the Advisory Panel members. The Parsons Brinckerhoff team, led by Sheila Dezarn and Barbara Gilliland, introduced the agenda for the workshop.

Microsoft Transportation Services Overview

Jim Stanton gave an introduction to Microsoft and its transportation program. Following are some highlights of Microsoft's program:

- The Connector bus service provides 89 round trips per day and averages 2,500 riders per day.
- The Shuttle Connect internal circulation service provides service to 5,000 riders per day.
- There has been a slight uptick in the percentage of Microsoft employees who commute by car, but the company is very close to their 60% CTR goal. Only 5% of employees telecommute as their main mode of "transportation," while 12% commute by bus.
- Microsoft's investment in the overpass construction on SR-520 is slated to pay back in connectivity and traffic reduction benefits within five years.

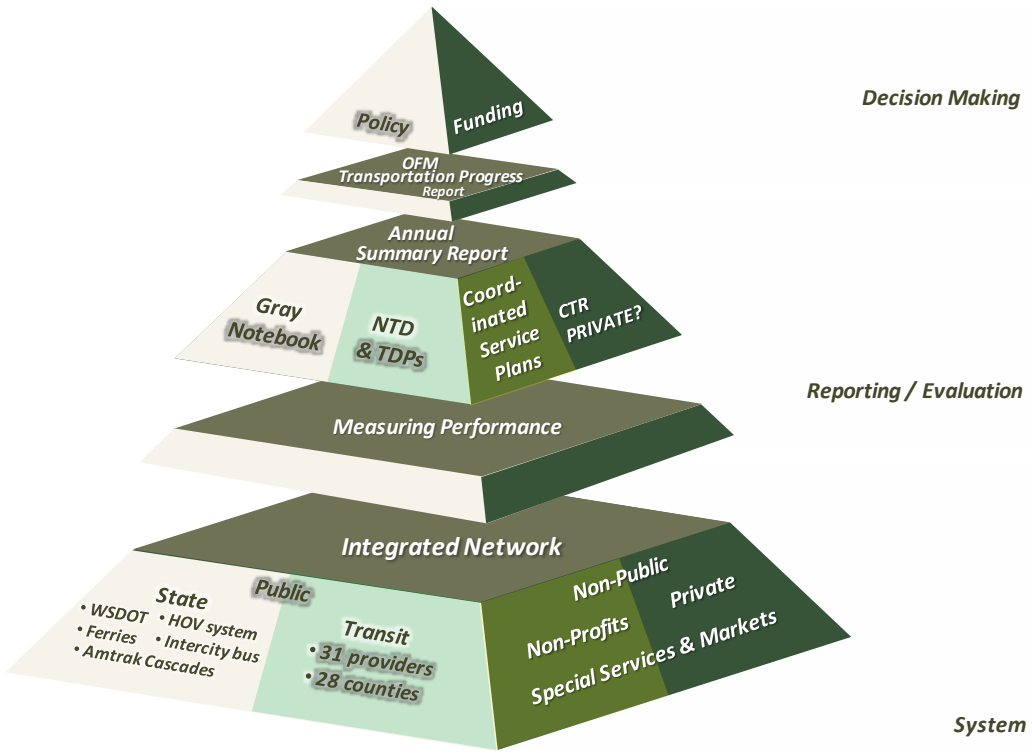
A number of questions from panel members followed the presentation.

- Representative Clibborn asked how Microsoft coordinated with Metro. Kevin Desmond responded that the state law dictates that private providers like Microsoft must ask permission of the local transit industry to operate service that might replicate publicly provided service. Jim Stanton commented that the Connector complements Metro services, and does not compete with Metro operated services. Tom Jones suggested that agencies should give up their control of public transportation services when a private provider is willing to provide a public service for the greater good.
- Senator Haugen was surprised that telecommuting only accounts for 5% of the transportation choices. Jim Stanton responded that many people work part of the day at home or telecommute only on certain days.
- Representative Armstrong asked what fuel sources drive the Connector. Jim Stanton answered that some biodiesel is recycled from Microsoft cafes for the buses, and the Toyota Priuses are hybrids that are bought locally. The 45-foot buses are leased in used condition sometimes.
- Representative Llias said that we should look for good opportunities to partner, and should be thoughtful on when and where the private sector can operate.
- Gladys Gillis noted that bus emissions since 2008 have been drastically reduced. Martha Rose responded that while they have gotten cleaner, maintenance issues still represent a challenge and service reliability has been affected because of frequent breakdowns.

Draft Blueprint Introduction

Barbara Gilliland introduced the draft blueprint framework to guide discussions over the course of this workshop. The full diagram is shown below. The framework organizes and integrates the elements of the public transportation system into three main levels: system, reporting/evaluation, and decision making. The arrow shows that the coordination and reporting process is meant to flow upwards to decision makers on an annual basis with policy direction and investment priorities established and flowing downwards on an annual basis.

Figure 1 – Blueprint Framework



Some comments followed the framework's initial explanation. Richard DeRock voiced his concern that all services are shown equally in the Integrated Network. These areas should reflect their approximate level of service within the overall network. Senator Haugen said investments come down to a funding issue – "bang for buck," but Representative Clibborn responded that the "bang for buck" idea creates a disadvantage for rural areas and that a spectrum of services will be needed.

Performance Management – Sheila

Sheila Dezarn began a conversation about performance management and introduced the framework for a discussion about what to measure. Three steps for creating performance measures are:

- Step 1 – Decide <u>what</u> is important to measure
  - As it relates to state goals and state interests
- Step 2 – Determine <u>how</u> to measure
  - And whether data is readily available
- Step 3 – Articulate <u>what the measure tells us</u>

A table with sample performance measures organized as they relate to the state transportation goals was given to Panel members to help focus the discussion. Two questions were posed for discussion,

1. Are these the right things to measure?
2. Is this the right number of measures?

It appeared from the third workshop that mobility and stewardship were the state goals focused on by the panel. However, Kevin Desmond commented that mobility and stewardship were discussed more

than other goals because of the time constraint. Sheila Dezarn commented that the team has tried to choose measures where the data is currently readily available. Representative Llias referred to the public comment made by Doug McDonald; he wants to make sure we remember that the measurement recommendation should be rooted in the real world.

Many comments and suggestions were made by the Panel. The comments are organized based on the state goal the measure in question falls under.

General Comments

- Senator Haugen said this must be a tool to be used as a way to help create a new vision for the future. Representative Clibborn added that measures should also help to target investment decisions. Representative Clibborn indicated that the legislature will ultimately have to consider how limited dollars should be invested.
- Richard DeRock said that the measures identified are focused on transit. Measures should be developed that can be applied to all public transportation modes, including ferries, Amtrak, etc. A challenge will be that not all entities use the same approach or definition for the data. Katy Taylor responded that measures for multiple modes may not be comparable.
- Jim Stanton said that measures should be outcome based and allow for comparison among peers groups. They should be based upon goals and ultimately be able to be benchmarked. He noted that an area that seems to be missing using the state goals would be quality and customer service. Katy Taylor emphasized the need to develop measures that can highlight transit-dependent populations.
- Page Scott noted that measures should not be constrained to what is available today but should consider what would be beneficial for decision making even if it means that a method for collecting the data needs to be developed.
- Alice Tawresey emphasized that when the recommendations are being written they should be multi-modal-focused.
- Virginia McIntyre said it may be better to have measures that target more narrowly, as opposed to the very broad state goals.
- Gladys Gillis wanted to clarify the idea from workshop #3 that tow trucks and other services can't be outsourced, but it turns out that many companies meet federal requirements for drug testing, etc. She wanted everyone to know that many of her buses are accessible, so outsourcing is a potential. If contracts are available and granted, private providers will make changes.

Safety

- Senator Haugen said safety is "expected" by the public when it comes to public transportation. Measures don't generally tell much of a story. Richard DeRock said it's hard to measure how much safety has improved when people use transit instead of driving.
- Martha Rose said public transportation improves safety by definition. Measuring that just doesn't make sense.
- Page Scott commented that another area would be personal safety. Representative Llias added that considering pedestrian safety, safety for public transportation operators and emergency management are other areas that could be considered.
- Kevin Desmond said that macro-level measures aren't helpful, especially when it comes to fatalities.
- Representative Armstrong said we don't want to forego the safety goal, but instead try to integrate it with state-led safety improvement projects.

Preservation

- Joni Earl noted that the federal government is placing much greater emphasis on the state of good repair for many systems. This measure has been noted by many agencies.

Mobility

- Rick Benner said the mobility goal talks about people *and* goods, but the measure doesn't match.
- Jim Stanton noted that connectivity is a major factor of service. Representative Clibborn also added that often it is about the last (first) two miles of the trip that make the difference.
- Representative Llias says mobility goals should be per capita to account for population growth.
- Kevin Desmond said that mobility has a lot to do with access to services. He noted that land use has a big impact on accessibility. He also indicated that the notion of connectivity is a good measure, but increasing connectivity is not necessarily productive or cost-effective.
- Alice Tawresey said connectivity between modes is important.

Environment

- Richard DeRock commented that environmental measures should capture total benefits. Just the measure of use of alternative fuels does not get to the concept of total energy consumption per unit of service provided.
- Representative Llias suggested VMT reduction should be included in the environmental goal.

Stewardship

- Gladys Gillis made an argument to use a passenger miles per gallon measure she had outlined at the last meeting. It is a measure that could address multiple goals of the state. It is an effectiveness measure and could be used to address other state goals. We should create a metric that is made better by allowing shared resources. Representative Llias commented that there are limitations to the passenger miles per gallon measure because low ridership with low gas usage would appear to be the same efficiency as high ridership with high gas usage.
- Representative Llias said reliability should be a bigger factor, and that connectivity and quality of service should be part of stewardship.
- Alice Tawresey said the cost sometimes makes public transportation undesirable to riders. Measures related to congestion would only apply to Western Washington.
- Joni Earl said relating to stewardship and economic vitality could be the measurement of the percentage of family incomes that must be spent on transportation.
- Representative Armstrong said regarding stewardship, we overlook the private sector transit providers. We should consider the usage of facilities by private providers.

Economic Vitality

- Representative Llias suggested that in economic vitality, access to jobs should be per capita and jobs created.
- Representative Armstrong said there is a need to measure how we partner with businesses, including looking at how businesses are encouraging the use of public transportation. Page Scott added that it's also important to measure the financial benefits, such as Microsoft's assessment of the financial investment in building new access to their campus and the benefits of the Connector service.

- Joni Earl commented that measures such as how much people are spending on transportation, while a difficult measure to collect, would indicate how economic conditions have changed for citizens.
- Gladys Gillis wanted clarification on increase in direct agency jobs. Sheila Dezarn clarified that the number of jobs employed on public transportation should be measured. Ms. Gillis reemphasized that it should be a broad measure to indicate the growth in all public transportation jobs.

Following lunch, Barbara Gilliland summarized what the team heard in the performance measures discussion. She noted that there is clearly no one or set of perfect measures. However, as Representative Llias noted, that there needs to be a start somewhere and refinement over time. It is clear that developing a set of measures is complex and messy. However, the goal was to achieve some understanding of different points of view, not necessarily reach consensus. However, the team did hear in the discussion a few key themes, specifically that performance measures should:

1. Help guide and target investments
2. Be few in number
3. Serve as a proxy for other measures

Review of Prior Meetings Highlights/Themes

Barbara Gilliland reviewed the content, discussions and feedback on each of the first three workshops.

This review included the following topics:

- Study purpose and projected outcomes
- Defining investment
- Advisory Panel One-on-One Interview themes
- Summary of current state roles
- Performance management and measurement
- Recommendations regarding roles that should be added, enhanced, or eliminated
- Peer analysis key findings
- Emerging trends and unmet needs
- Issues facing public transportation providers and resulting recommendations

Gladys Gillis commented that she wants the private sector involvement to be added to the "what you said" slide. Representative Llias said we need to be cognizant of current bidding laws when considering expanded private participation in public transportation activities.

Draft Blueprint & Recommendations

Sheila Dezarn walked through the recommendations as they related to the building blocks of the draft blueprint diagram. Recommendations related to each category are outlined below.

Integrated Network

Recommendations:

1. In each WSDOT region, create a new "regional integration role" to better integrate public transportation into state and regional planning activities.
2. Task WSDOT regional integration role with identifying specific connectivity gaps and priorities.

3. Task Public Transportation Division, working with providers, to establish conditions under which private providers can use public facilities (HOV lanes, park and rides, etc.).

Comments:
On recommendation #1, Kevin Desmond asked what the role would look like and suggested that guidelines be outlined in the recommendation. Senator Haugen said in some areas it should be taken to a sub regional level to ensure an understanding of local issues. Richard DeRock said this person should have the authority to make a difference. Katy Taylor questioned if it should be at the region or at the state level, and cautioned that it could be difficult to add to existing responsibilities. She also indicated there needs to be a connection between the region and headquarters so there is consistent application statewide. Page Scott said she appreciates current state WSDOT's efforts, but agreed that a more local perspective would be beneficial.

On recommendation #2, Representative Clibborn said this should be more like "opportunities" instead of the more negative wording of "gaps." Kevin Desmond urged us to find things to chase that are high-value. Jim Stanton said that having money set aside for local solutions would be a good incentive. Richard DeRock noted that transit service connections are often affected by decisions by others, such as his experience with provide a connection between Amtrak and the Stehekin Ferry. Sometimes the ends change without any regard to the total trip and connections are lost.

On recommendation #3, Katy Taylor says this is doable, but will require working with the legislature. Representative Llias said a statewide perspective is necessary. Jim Stanton is supportive; an inventory of owners could be a first step. Senator Haugen says if something is state-funded, it should be available to all citizens.

Annual Public Transportation Summary Report

Recommendations:

1. Align annual Transit Development Plans (TDP) and Coordinated Human Service Plans (CHSP) with federal reporting cycle and data requirements.
2. Refocus TDP reporting on transit needs and identified state performance measures.
3. Modify CTR reporting process to integrate with performance measures and also identify private reporting needs.
4. Broaden Annual Report on Public Transportation (ARPT) to include all public transportation providers and streamline and refocus into more analytic assessment of system performance, trends and issues.

Comments:
Jim Stanton wonders if it's necessary to provide all the reports, if no one has time to read through them and use their content. Richard DeRock said the amount of reporting is enormous, without anyone looking at it. Reporting requirements vary for each type of provider – the starting information isn't the same.

OFM Transportation Progress Report

Recommendations:

1. To provide policy makers with a complete picture of the transportation system, broaden current OFM Transportation Progress Report to include key measures drawn from Annual Report on Public Transportation focused on Mobility and Stewardship.

Comments:
OFM doesn't provide data on anything but state-run transportation, so we are suggesting the OFM report include other transportation data. Martha Rose said we need to provide some way to identify the separate types of Public Transportation services, such as demand response. Kevin Desmond said there are some measures that may not be relevant to the goals.

Decision Making

Recommendations:

Funding Recommendations

1. Focus Regional Mobility Fund to explicitly target evolving state priorities as informed by policy review process.
2. Provide predictable source of funds for health & human service and rural providers by exploring a shift from grants to formula funding or other, more predictable approach.
3. Establish new state funding source(s) and allocate based on state goals, priorities and interests.
4. To reduce volatility, provide new local options for transit to diversify and stabilize funding.

Policy Recommendations

1. Require key public services to locate accessible to public transportation options.
2. Consider broadening the essential public facilities definition to include elements of public transportation.
3. Modify TDP statute to reflect revised performance measures.

Comments:
Several members commented on funding recommendations #3 and #4. Senator Haugen said there is no new funding source available. Representative Clibborn said it doesn't have to be a new source, but maybe an enhancement to an existing source or a reallocation. There was discussion about looking at shorter term and longer term elements of the funding recommendations. Alice Tawresey suggested qualifying language such as "when funds are available." Page Scott noted that the loss of the MVET took away the incentive to create PTBAs, so maybe add a replacement tax. Richard DeRock noted that at this point it is a zero sum games since transit systems have lost so much revenue. It will take time to get new sources and it will take time to rebuild networks.

The discussion on new revenue sources resulted in the following ideas: Gladys Gillis said the private industry is moving toward environmentally-friendly coaches as a move toward efficiency in the future. Carbon credits can be traded. Senator Haugen suggested that with declining gas tax revenues, fees on other fuel sources should be considered. Page Scott said human services transportation providers have their own sources of transportation funding but there is nothing to motivate them to bring that revenue to the table; the state could create incentives for state agencies to demonstrate how they are coordinating with providers.

On policy recommendation #1, Joni Earl suggested that there needs to be a focus on developing new ways to encourage areas to want transit. Martha Rose said Island Transit is considered an essential public service due to concurrency. Representative Llias said we can make only select facilities "essential" to fall under this rule. Charlie Howard suggested that incentives could be developed to target local cities and counties to make land use decisions that attract public transportation.

On policy recommendation #3 Katy Taylor said should include the goals, priorities, and interests that would be addressed. Perhaps there is an incentive for ensuring connectivity; investments need to go to lifeline services and expanding infrastructure. Also, differentiate between the state's role and local roles.

Panel Member Closing Remarks

The Panel was asked to provide closing comments. Given the discussion and information that was shared, each panel member was asked to provide one final piece of advice on the state's role in public transportation.

- Tom Jones noted that given the current financial conditions that there still may be a need to assess how dollars are being allocated and there may have to be another review of existing programs or services that should be reduced or eliminated or reprioritized.
- Representative Llias believes there is a new vision for public transportation. One that is more multi-modal and integrated and is "meeting people's needs and builds a better future." It's important that we start and understand that it will be a work in progress.
- Richard DeRock said that connectivity, while important, needs to be balanced with existing needs. It may be necessary to identify a stop gap measure to preserve connectivity since these services are the ones that often get cut because they are less productive.
- Senator Haugen said we need to make sure that in the future we have some new ideas to build on.
- Ted Horobiowski said that public-private investment goes well when incentives are involved. The CTR model has show this can work and may be something to consider further.
- Katy Taylor says there is a role for partnerships with private operators. In the future, let's focus on how we can accomplish things and be committed.
- Representative Clibborn wants us to remember that we need revenues to cover bonds. We do have a vision, and we will at some point have to go forward with new revenue.
- Kevin Desmond says money is always going to be tight. The more we think in an integrated fashion, the better off we are. Going forward, system and multimodal integration should be part of the solution.
- Gladys Gillis says her drivers are upset that public transit drivers get paid high salaries for special event service provision due to union laws that create the need for drivers to be on overtime, while she wants to be able to provide the service.
- Joni Earl hopes that the report can successfully pull in the themes as well as the details we have discussed.
- Senator Haugen: "Nobody cares what color the bus is."

Public Comment and Adjourn

John Niles, research associate at a transportation institute, made a short presentation. Regarding translating the state goals into recommendations, some are inputs and some are outputs. A sense of the limits of what transit can do is important. It's important to understand the what, where and how much since we can't buy our way out of the problem.

The final workshop adjourned with the understanding that a preliminary draft report would be available to panel members in mid November just prior to being submitted to the JTC at the end of the month.

Appendix B
Unmet Public Transportation Capital and Operations Needs

WASHINGTON STATE LEGISLATURE
JOINT TRANSPORTATION COMMITTEE

State Role in Public Transportation

Unmet Public Transportation Capital and Operations Needs

January 2011

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1.0 Purpose and Key Findings

During the 2010 legislative session, the Washington State Legislature commissioned a study designed to identify the state role in public transportation and to develop a Blueprint to guide future state investments in public transportation. This study was conducted over a six-month duration during which white papers were prepared on key topics to provide the basis for on-going discussions with, and feedback from, the JTC and the Public Transportation Advisory Panel assembled for this effort.

The white papers prepared for this study included:

- Unmet Public Transportation Capital and Operations Needs
- Assessing the Current State Role in Public Transportation
- Public Transportation Efficiency and Accountability Measures to Inform Future State Investment

A Final Report, which incorporated all white paper findings and recommendations, was prepared and submitted to the Joint Transportation Committee of the Washington State Legislature in January 2011.

1.1 Overview of Task

This white paper presents information on current public transportation programs, funding, and emerging issues in Washington State with the aim of assessing the extent and nature of any unmet needs. Public transportation is defined broadly including transit systems with fixed-route services, demand-response programs, and vanpool services; specialized services provided by private or non-profit organizations, many which operate in communities that are not served by transit systems; and private providers.

For the purposes of this white paper, unmet needs are defined as those services and capital facilities considered justified by individual provider policy boards or agencies which cannot be currently provided. An example would be provision of Sunday transit service which had been operating to meet community needs. Elimination of Sunday service would mean that a public transportation need is now not being met.

Unmet needs will include those associated with the current recession which has resulted in, for some operators, elimination or reductions to existing service, deferrals of capital investments (such as bus replacements), and stagnant levels of specialized services despite growing demand. These needs can be attributable in large part to recent reductions in local revenues that support operating and capital programs of transit systems, private operators that receive public funding, and human services programs that provide public transportation.

Other unmet needs could include those that have been identified but, for various reasons, have not been addressed such as intermodal or intersystem connections. Still other unmet needs could be associated with deferrals of planned longer-range system expansions designed to meet projected future demand associated with population and employment growth.

In presenting information on unmet needs, this paper also provides a context associated with these needs, specifically how public transportation policies, programs, related market demands and funding sources are evolving. Several key themes are presented for this context including possible variations between urban and rural systems and capital versus operating needs.

1.2 Summary of Task Purpose

In order to provide direction for other study tasks, information in this white paper is intended to accomplish the following objectives:

- Assess adequacy of current funding levels to meet identified needs.
- Identify unmet public transportation needs and/or try to scale the magnitude of the issues. This will determine how potential funding shortfalls are affecting particular programs relating to public transportation.
- Provide a key building block to begin discussions with the Public Transportation Advisory Panel established for this study and a basis for discussing required state actions and possible future areas of state interest.
- Identify key issues affecting public transportation needs, particularly those that may involve the state (e.g. coordination, relationship between transit planning and regional planning).
- Provide commentary as appropriate on data reporting, for example:
  - What it includes and what it doesn't
  - How various reports, plans, etc. document public transportation needs, if at all
  - How plans and reports are used to make informed decisions at the local and state level, if at all
- Identify key findings that provide information for other white paper development.

1.3 Summary of Major Findings

Sections 2 through 5 of this white paper present background information on current public transportation services, programs and funding as well as direction on emerging trends and needs. Several information sources were used to help assess transit needs. Sources include state plans and reports, Transit Development Plans (TDPs) prepared by transit systems and regional transportation plans. Appendix A provides listing of the information sources. These sources provided broad perspectives on projected costs, revenues and resulting shortfalls. Other sources provided more specific information on potential unmet needs. The intent for using these sources was to gain an understanding of what major factors are contributing to funding shortfalls and/or specific unmet needs.

An important finding of this work is that there is no one source for identifying unmet needs faced by public transportation providers and users. In addition, the definition of "unmet need" is broad and left to the perspective of the entity reporting the issues. In some cases the unmet need had been an anecdotal comment and not recorded in any document. To some extent, this paper has tried to provide some framework around issues without any record. This was done through research by WSTA and research through other sources.

The information gathered and assessed indicates several key themes. These findings are presented in three major categories and summarized in Table 1-1:

- Current public transportation programs
- Major issues and needs affecting public transportation
- Emerging public transportation trends and projected needs in the future.

The following sections provide additional detail regarding some of the findings above.

Table 1-1. Washington Public Transportation Services—Overview of Major Findings

Summary of current public transportation programs	
1.	31 transit systems operate in 28 of Washington's 39 counties. The service areas of these systems cover over 87 percent of Washington's population.
2.	In 2008, over 200 million passenger trips were provided by public transit systems. Most service is provided on fixed routes operating on fixed schedules; however, this also includes special needs, light rail, commuter rail, and passenger-only ferry trips. Passenger-only ferry service had approximately 525,000 riders in 2008 while commuter rail and light rail services generated approximately 4 million trips in 2008.
3.	Between 2003 and 2008, the number of passengers riding public transportation fixed route services increased 35 percent, while the number of service miles increased 12 percent.
4.	Numerous specialized transportation systems operate in areas without transit services.
5.	While there are numerous small private and non-profit providers serving elderly and disabled people across the state, the 31 public transit systems provide a significant level of service to these transit-dependent populations, with 19.7 million trips provided in 2007 for $202 million in operating costs. Public transit systems also have taken on additional operational and financial responsibilities for Medicaid trips previously covered by Medicaid in 2009.
6.	In 2010, the private sector provided $102 million worth of service through contracts with ten transit agencies or with the state government.
Major issues and needs affecting public transportation	
7.	To address a 12.7 percent reduction in sales tax revenues in 2009, agencies have implemented service cuts, fare increases, local tax increases, and deferred capital investments. Further service cuts will be necessary if new revenues are not identified for several systems.
8.	Current funding uncertainty due primarily to instability in sales tax revenue collections, which accounts for 74% of revenues used by transit providers, has hampered transit agencies' ability to effectively plan for the future.
9.	The current recession has caused transit agencies to spend down reserves and delay capital investments, including vehicle replacement, in order to maintain service levels.
10.	Several transit systems have increased sales tax support in the last three years. Of the 0.9 percent sales tax that could be levied by transit systems, most systems are at a 0.6 percent level or more. Three systems asked voters for local tax increases in 2010, two measures passed, and at least two more will ask for increases in 2011.
11.	Over 60 percent of transit systems have increased fares since mid-2008.
12.	State funding of CTR programs such as the Growth and Transportation Efficiency Centers is being replaced by other sources such as local governments
13.	Connectivity gaps between transit systems primarily involved limited service for local connections and to inter-county and interstate services.
14.	Connectivity improvements were identified as a major need in Coordinated Human Services Transit Plans.
15.	Expanded service periods and education were identified as the top needs for health and human service providers and users.
16.	Better coordination between federal, state and local programs would improve the efficiency of providing specialized services.
17.	Rural communities emphasize a need for transit options and access outside of typical core destinations and employment hours.
18.	Surveyed ferry riders say improved connections at the destination end of the trip would increase ferry use by walk-on passengers.
Emerging public transportation trends and projected needs in the future	
19.	Expected growth in Washington population and employment will place greater pressure on public transportation services. The expected growth of 65 and older persons will increase pressure on service access in particular in rural communities.
20.	A key part of the state's growth management, greenhouse gas and tolling programs is in driving a reduction in SOV vehicles miles travelled. A key strategy for meeting these goals is encouraging the use of alternative modes including public transportation options.
21.	Uncertainty in future federal funding is contributing to the ability of transit and other public transportation providers to plan for meeting current and future needs.
22.	Current transit reporting such as the TDPs and WSDOT Summary of Public Transportation do not identify needs or follow-up relating to performance measure metrics.

1.3.1 Public Transportation Services

A variety of public transportation programs are provided in Washington. While there are 31 transit systems operating in 28 counties, there are also numerous specialized transportation services many operating in locations in the state without transit services. Inter-city services involving transit systems and state-sponsored intercity bus and rail programs provide important links between several parts of the state.

The majority of transit service in the state is bus fixed route operated on fixed schedules. Demand responsive services and vanpool programs are the next two largest programs. While the amount of fixed route service in Washington grew by 12 percent between 2003 and 2008, ridership increased at a more significant rate of growth, 35 percent). Route-deviated services as well as vanpool services also increased during that period to meet increasing ridership needs.

Specialized transportation programs are designed to serve the needs of those who cannot use fixed route service (e.g., elderly, persons with disabilities) or who are located in areas that are not served by transit systems. Most human service transportation programs in Washington are provided by private or non-profit organizations and many are wholly funded through federal and state grant programs. There are variations among specialized transportation providers in terms of the types of passengers they serve. A large majority of these providers serve seniors and persons with disabilities; however, over 30 percent provide services to either the general public or low income persons.

Intercity Public Transportation

Amtrak Cascades service is provided between Eugene, Oregon and Vancouver, B.C. with stations in downtown Seattle and several other locations, in Clark, Cowlitz, Lewis, Thurston, Pierce, King, Snohomish, Skagit, and Whatcom Counties. The state, through biennial appropriations and grant funds, provides support for inter-county transit services that connect Island, Skagit, Snohomish, and Whatcom Counties. The routes include the County Connector between Whatcom, Skagit, and Snohomish Counties and Everett Connector between Island, Skagit, and Snohomish Counties. WSDOT recently initiated a unique program involving intercity bus services connecting communities in areas that were losing privately provided services. The program received federal FTA 5311(f) funds but local match is provided through private bus company commitments. The service uses private contractors to operate the bus routes.

State-Sponsored Commuter Programs

The commute trip reduction (CTR) law was enacted by the Legislature in 1991 with the intent to improve air quality, reduce traffic congestion, and lower the consumption of petroleum fuels through employer-based programs that encourage the use of alternatives to driving alone. Recent legislative changes transformed CTR from a program with a top-down mandate to one that is locally-driven and coordinated with local and regional planning requirements.

In 2003, the Washington State Legislature created a vanpool grant program to increase vanpooling by commuters. WSDOT and transit agencies created the Vanpool Investment Program to guide vanpool program development and manage vanpool grants.

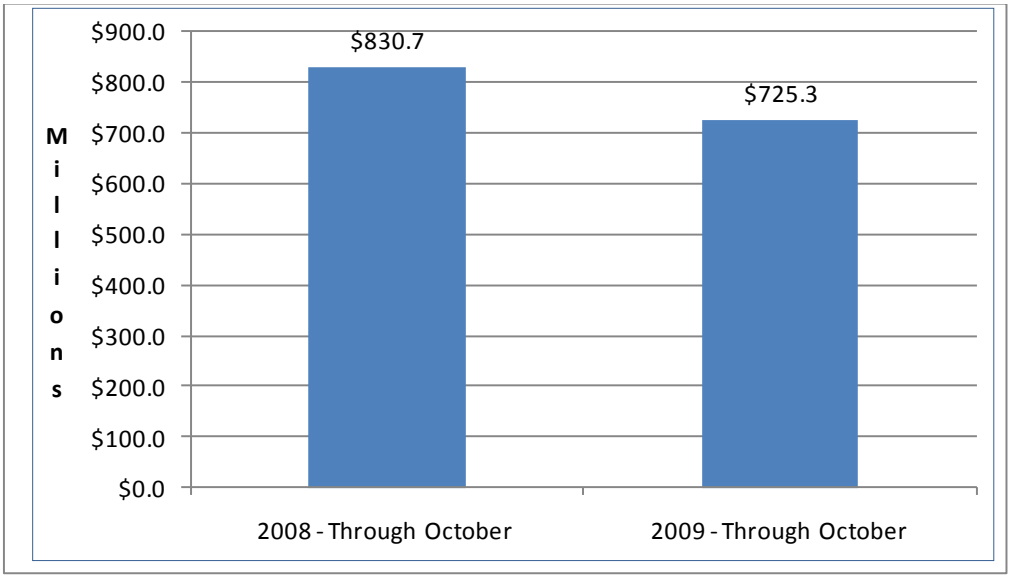
1.3.2 Current Issues and Needs Affecting Public Transportation

This section presents information on current issues and needs relating to public transportation, including current financial positions of transit systems.

Current financial conditions

The trends in public transportation funding indicate a high level of uncertainty that is affecting planning and programming of public transportation. This is particularly the case for local sales tax revenues which make up the largest share of total funding for transit systems. Between January and October of 2008, $830.7 million in sales tax revenue was generated for transit systems (see Figure 1-1). However, for the comparable period in 2009, the total was $725.3 million or a 12.7 percent revenue decline. Figure 1-1 below indicates a reduction in sales tax receipts of over $105 million between 2008 and 2009. Tax collections in 2009 also include the sales tax increase by Sound Transit from April through October. Transit agencies have addressed these revenue shortfalls with service cuts, fare increases, local tax increases and/or deferred capital investments.

Figure 1-1. Local Annual Sales Tax Funding for Transit—2008 and 2009



In a survey conducted by WSTA in 2009, the transit agencies indicated that shortfalls in local sales tax funding will have implications regarding service levels and capital programs. Of 25 systems responding to a WSTA survey, 9 indicated cuts in service levels are under consideration and 11 indicated that they will have to defer capital items due to decreased levels of local sales tax revenues for 2010 and 2011. Since this survey, additional public transit systems have proposed service cuts and at least two are likely to ask voters for local sales and use tax increases in 2011.

Connectivity

Connectivity improvements involve transit systems as well as specialized transportation services. Using information provided by WSTA, both current and potential future gaps were identified regarding connectivity between transit systems. Public transit systems provide coordination and connections to a) connect communities within their system boundaries; b) connect to and through other transit systems; and c) to connect to partners such as the state ferry system, Amtrak and non-profit operators. However, there are still some gaps in the connections.

Eight regions in Washington identified gaps such as lack of connections between counties with transit service, no inter-county service to major transportation centers after certain hours, and a need for high-occupancy vehicle lanes for express bus service. Improving system connectivity also was identified as a major need in the Coordinated Human Services Transit Plans. Also, public surveys conducted for the Washington State Ferry's in 2010 indicated potential needs associated with connections to local transit services at ferry terminals.

Private sector support

Over time, the private sector has assumed some roles in the provision of publicly operated transit services. Currently 10 transit systems use private contractors to provide $102 million in service and maintenance functions. In some cases, bus services provided directly by employers, such as Microsoft, is filling a role that was not being provided by the transit system. Private sector involvement in the current public transportation system is a direct result of filling an existing unmet need.

Specialized transportation services

Specialized transportation services are provided by public transit systems, non-profit organizations, and private operators under contract to public agencies. For public transit systems, specialized services incur a much higher cost per rider than fixed-route service. But, demand for specialized services provided by public transit systems is likely to grow.

For private, non-profit organizations, a key challenge related to supporting operations of special transportation, is the lack of ongoing and reliable funding. While the state-managed Public Transportation Grant program provides an important lifeline for these services, there is no assurance of continued state support. Given the prolonged nature of the economic recession and the uncertainty regarding the next re-authorization of federal transportation programs, there is significant uncertainty related to future availability of state and federal funding support, as well as social program funding.

In addition to these funding challenges, the Coordinated Human Services Transit Plans developed by Regional Transportation Planning Organizations and Metropolitan Planning Organizations provide further information on unmet needs. Major items identified in the Plans include the need for better public information and education regarding these services, the need for expanded service hours, and better system connectivity.

1.3.3 Emerging Trends—Key Issues and Unmet Transit Needs

Several trends have been identified that will impact providers and the overall provision of public transportation in the future. While these trends have not resulted in specific unmet needs at this point in time, they can be expected to impact the overall state transportation system of the future.

Demographic trends

Population growth and the aging population of Washington will place higher demands on public transportation. Public transportation agencies serve areas where approximately 85 percent of Washington's population lives. Keeping pace with this growth in population would require, at the minimum, a similar growth in transit operations and capital facilities.

Also of significance is that large concentrations of aging population are projected for counties that do not currently have transit systems. In 2000, no county in Washington had the ages of 65 and

over as the dominant age group. However, by 2030, it is projected that 65 and over will be the dominant age group in 12 counties, all located in predominantly rural areas.

Environmental policies

A strategy in the Draft Washington Transportation Plan calls for requiring all local transportation plans to include a non-motorized element, a Green House Gas (GHG) reduction strategy component, and a reduction in vehicle miles traveled (VMT) strategy component. Discussions thus far have placed heavy reliance on the provision of public transportation and other non-motorized forms of travel to achieve these objectives.

GHG and VMT reduction strategies will likely translate into shifts from auto to alternative mode such as transit. While transit systems could potentially accommodate these modal shifts, providing the capacity, in terms of both operations and capital, would require higher funding levels than currently offered. With current funding levels affecting the ability to provide even the maintenance of current service levels, any future expansion would be challenging.

Transportation pricing trends

Potential new tolling facilities on major Washington highway corridors are being proposed to address overall transportation funding shortfalls. This could result in higher demand for transit. However, it is unclear how tolling revenue, beyond capital construction, might be used to manage and support overall transit operations within these corridors.

1.3.4 Transit Reporting

There are a variety of plans, reports and guidelines that provide a forum for identifying and assessing public transportation needs and support local and state planning and decision-making. Large urban transit agencies currently report to the FTA through the National Transit Database (NTD) on key metrics. The state and individual transit providers also produce other plans such as the Transit Development Plans (TDP's) and individual agency Annual Reports. A Summary Report on Public Transportation produced by WSDOT presents comprehensive information on transit from the information provided. However, these reports do not currently identify unmet needs relating to public transportation.

While the state does not require performance measures for TDP preparation some agencies reference the measures they use to manage their systems. The Summary Report on Public Transportation prepared by WSDOT includes statewide as well as operator-specific information. However, follow-up for this information (e.g. potential actions to address low performance areas) provided by either the transit operator or WSDOT is not currently identified. Also, reporting by transit systems could be organized in a manner that allows consolidation as much as possible versus the more separated and multiple-reporting process that is currently done.

These reports are primarily focused on the state of transit systems in Washington, including their size, numbers of passengers carried, and operating and capital costs. They focus on what the financially constrained plans are for the future. However, there is not a systematic way to identify the unmet needs of these transit systems nor, with the exception of FTA and Paratransit/Special Needs, is the information used for decision-making purposes.

2.0 Overview of Current Public Transportation Services, Programs and Unmet Needs

This section provides an overview of various public transportation services and programs in Washington State. These services include transit systems now operating in 28 counties, specialized transportation programs and inter-city services some of which are supported through state and federal funding.

Within the sections describing public transportation services, two major items are provided: a profile of the services provided and information on unmet needs. This section also includes information on the private sector's role in public transportation, emerging trends that could affect meeting future public transportation needs, and observations on current transit reporting.

2.1 Transit Systems

2.1.1 Current Transit Services

Currently 31 (effective August 2010), public transportation systems provide service in 28 of the 39 counties in Washington State. Locations of the transit systems are shown in Figure 2-1. Most systems operate within a single county while three: Link Transit (Chelan and Douglas Counties) Ben Franklin Transit (Benton and Franklin Counties), and Sound Transit (King, Pierce, and Snohomish Counties) each serve multiple counties. As indicated in Table 2-1, most transit systems are provided through a Public Transportation Benefit Area (PTBA) form of governance, of which there are 22, and city systems, which includes five operators.

While several municipal systems have been providing transit service for decades, the PTBA's in Washington State were initially authorized by state legislation in the 1970's. Over time, several transit systems involving various types of governing authorities have been established. The most recent formations and voter-approved tax support involved the city of Selah (2006) and the city of Union Gap (2007). Also, as reported in the 2007 Summary of Public Transportation Report, WSDOT Public Transportation Division personnel provided technical assistance to several Eastern Washington communities regarding potential new/expanded public transportation services. These communities include Kittitas County (Ellensburg), Okanagan County, Yakima County, and Stevens County.

The state's transit systems offer a variety of services that reflect market needs within their service areas. Table 2-2 provides an overview of various transit services provided in 2008 expressed in terms of revenue vehicle miles[1]. Commuter rail and light rail services are provided entirely by Sound Transit.

[1] The information for passenger-only ferry service is reported in revenue vessel miles.

Figure 2-1. Transit Agency Locations

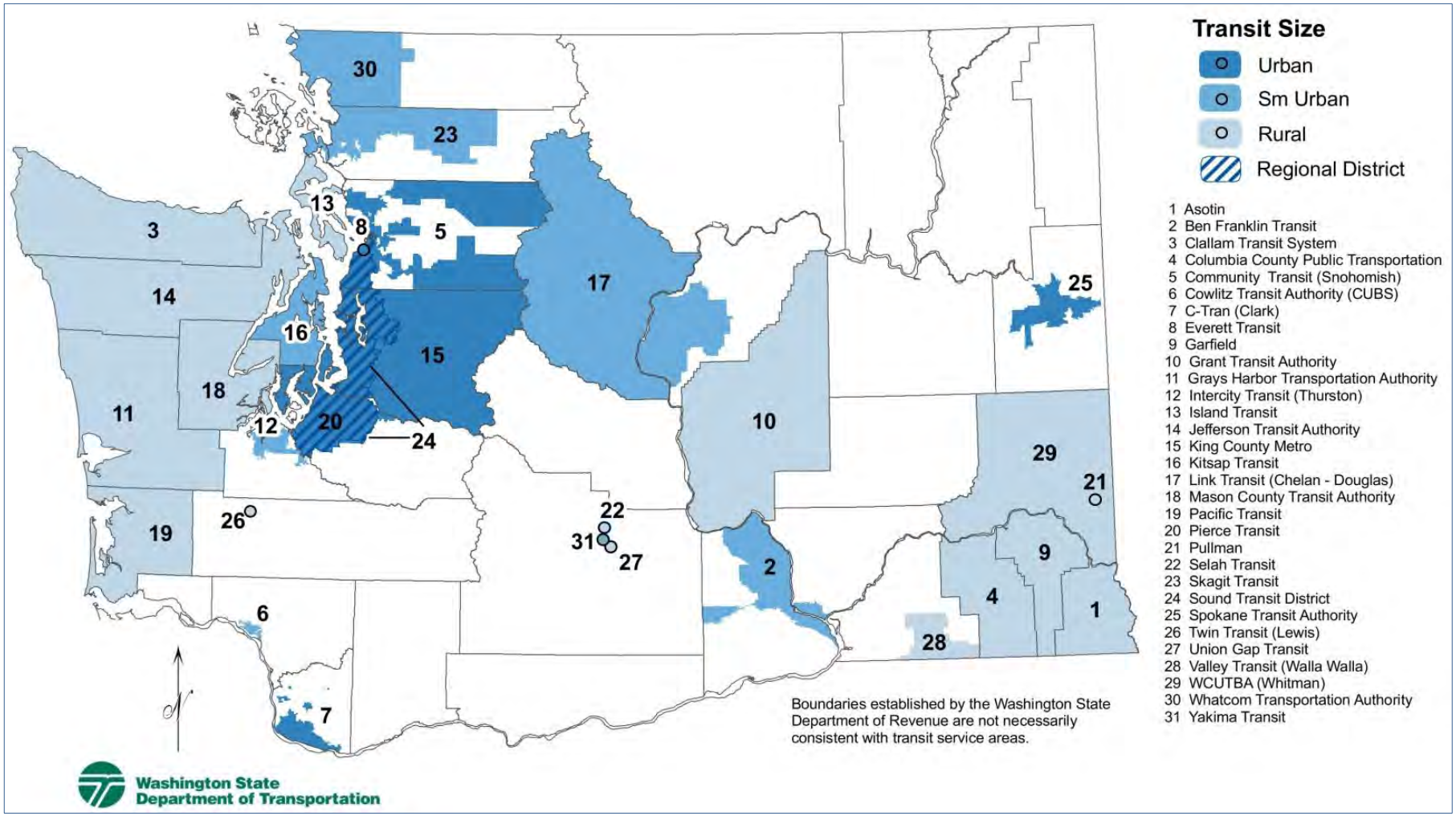


Table 2-1. Public Transportation Systems by Type of Authority

Type of Transit Authority	Transit Systems
Public Transportation Benefit Area (PTBA)	Asotin County
	Ben Franklin Transit
	Clallam Transit System
	C-TRAN (Clark County)
	Community Transit (Snohomish County)
	Cowlitz Transit Authority
	Grant Transit
	Intercity Transit (Thurston County)
	Island Transit
	Jefferson Transit
	Kitsap Transit
	Link Transit (Chelan and Douglas Counties)
	Mason County Transportation Authority
	Pacific Transit
	Pierce Transit
	Skagit Transit
	Spokane Transit Authority
	Twin Transit (Lewis County)
	Valley Transit (Walla Walla)
	Whatcom Transportation Authority
Unincorporated PTBA	Garfield County Public Transportation
	Whitman County Public Transportation
City	Everett Transit
	Pullman Transit
	Selah Transit
	Union Gap Transit
	Yakima Transit
County	King County Metro Transit
County Transportation Authority	Columbia County Public Transportation
	Grays Harbor Transportation Authority
Regional Transit Authority	Sound Transit

Table 2-2. Types of Transit Services and Related Annual (2008) Revenue Vehicle Miles

Service Type	Annual (2008) Revenue Vehicle Miles
Fixed Route	90,657,143
Vanpool	34,623,062
Demand Response	30,042,915
Route Deviated	2,482,781
Commuter Rail	1,039,433
Light Rail	150,712
Passenger Ferry	48,998
Total	**150,055,875**

As indicated by the table, most public transit services involves fixed routes operated on fixed schedules followed by relatively similar levels of service for demand response and vanpool programs. Route-deviated service involves a hybrid of fixed route service with designated time points and deviations to allow access to other locations on an on-demand basis. This type of service is gaining popularity since it provides access to locations that are not efficiently served by traditional fixed route service. Mason Transit's service is entirely route deviated. A transit system is not required to provide complementary paratransit services to the routed service if those services are deviated for individuals with disabilities. This allows a transit system to maximize their resources, particularly in rural communities.

2.1.2 Recent Trends—Transit Service Supply and Demand

Figure 2-2 shows growth trends for fixed route, demand response, and vanpool transit service expressed in terms of service supply (as measured in annual revenue vehicle miles). Figure 2-3 shows the growth in transit service miles for route deviated, commuter rail, light rail, and passenger ferry service. This information is presented in two graphs since the extent of service supply for fixed route, demand response, and vanpool exceeds the levels for other modes. In the case of light rail, the service supply represents Tacoma Link only since Central Link service, operating between downtown Seattle and Sea-Tac Airport, did not start until mid- 2009.

Figure 2-2. Growth in Transit Service Miles—2003 to 2008 (Fixed Route, Demand Response, Vanpool)

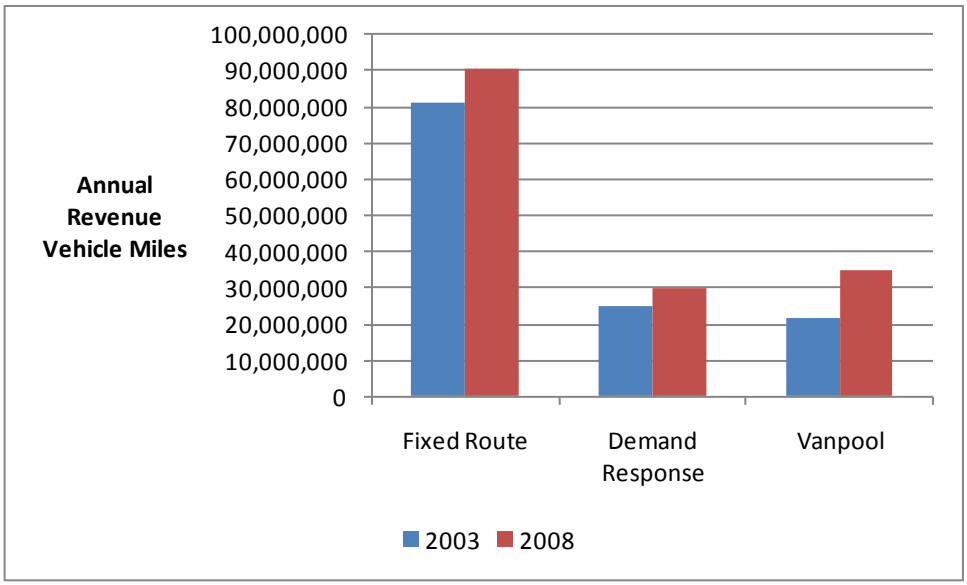


Figure 2-3. Growth in Transit Service Miles—2003 to 2008 (Route Deviated, Commuter Rail, Light Rail, and Passenger Ferry)

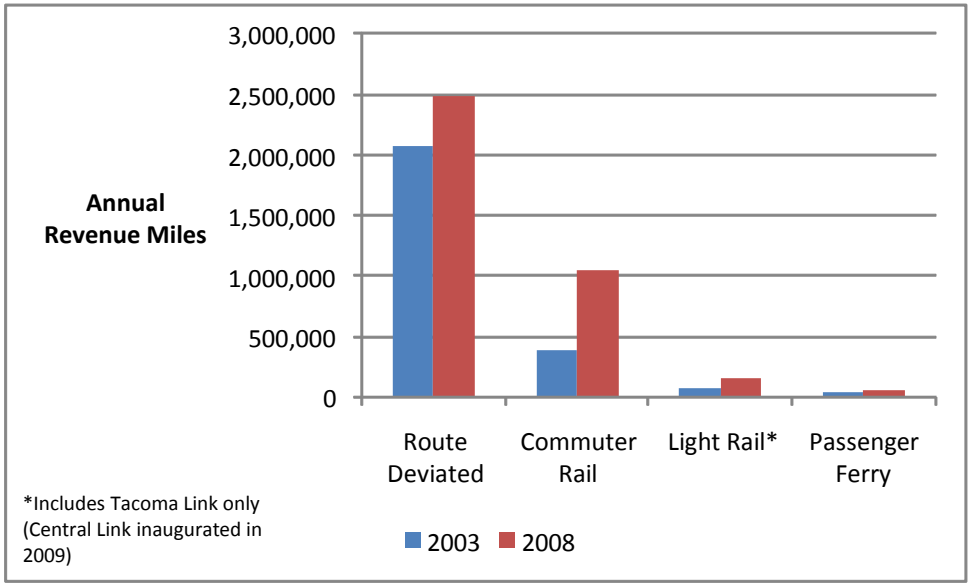


Figure 2-4 and Figure 2-5 show ridership trends as indicated by growth in annual transit ridership (expressed in terms of annual passenger trips. The 2003 through 2008 period was chosen since this is the time-frame for data provided in Summary of Public Transportation prepared by WSDOT (the source for these figures). More current data for 2009 and 2010 was not available. Data for the 2003 through 2008 time-frame also reflects the post-I-695 funding picture for public transit systems. While the impact of I-695 is discussed elsewhere in this paper (see Section 3.7.1), the data shown here reflects that, to some extent, public transit systems had replaced lost MVET revenues as evidence by continued growth in service during this timeframe. The reported data also reflects a period of strong economic growth that translated into growth in public transit ridership.

Figure 2-4. Growth in Transit Ridership - 2003 to 2008 Fixed Route

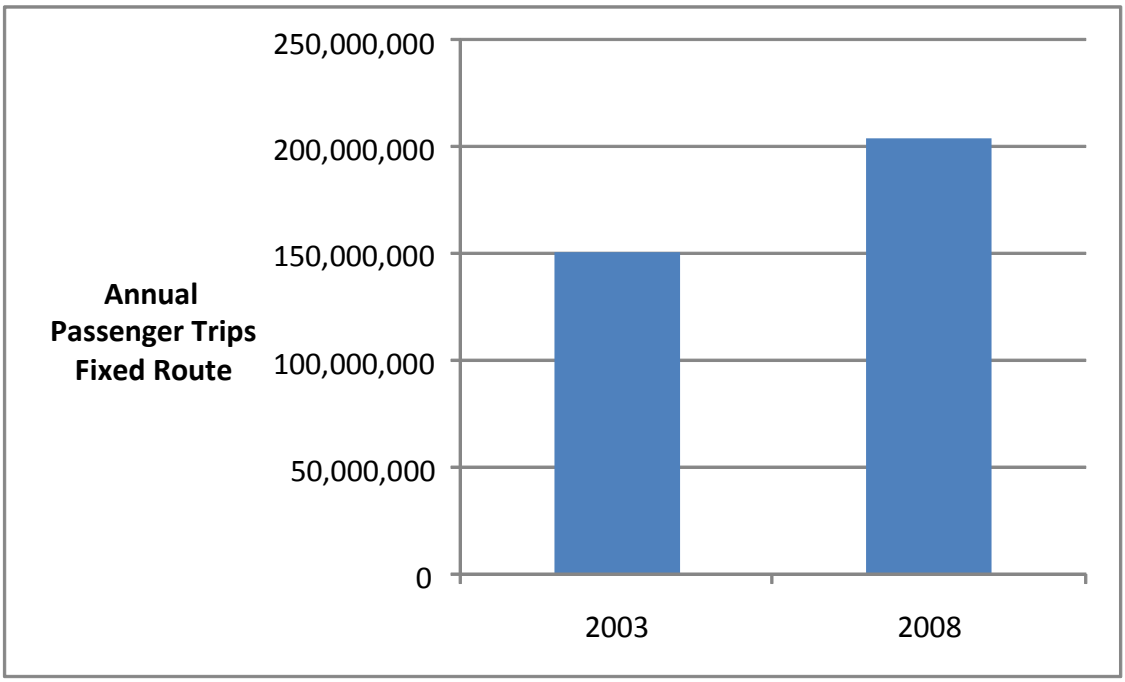
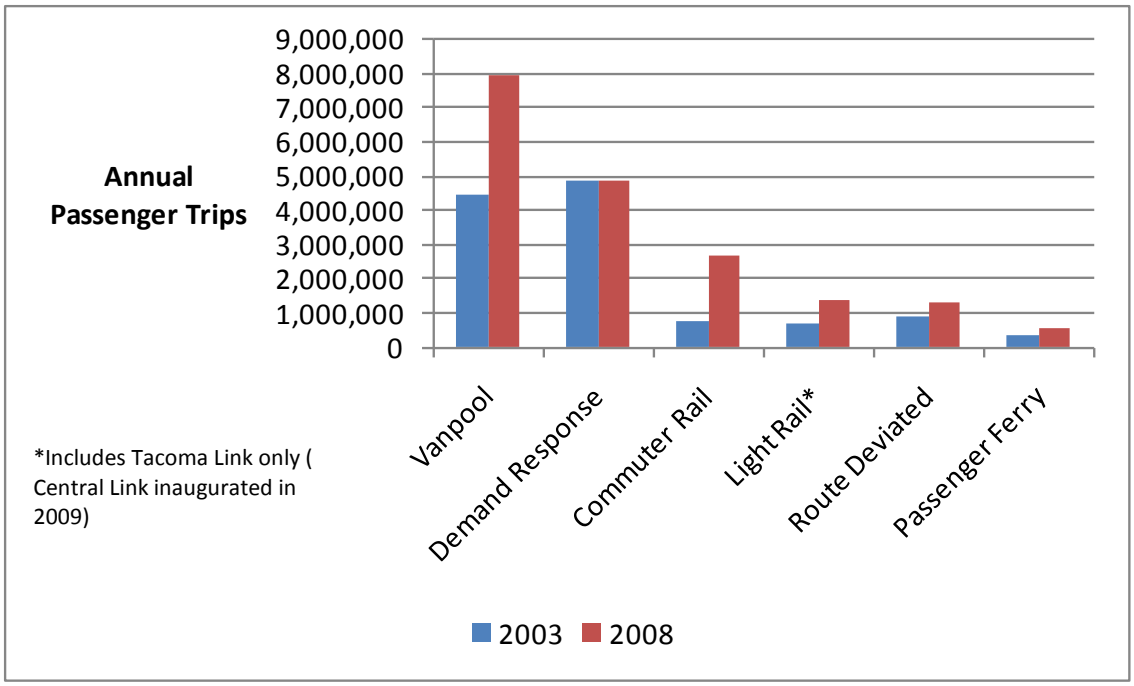


Figure 2-5. Growth in Transit Ridership - 2003 to 2008: Vanpool, Demand Response, Commuter Rail, Light Rail, Route Deviated, Passenger Ferry)



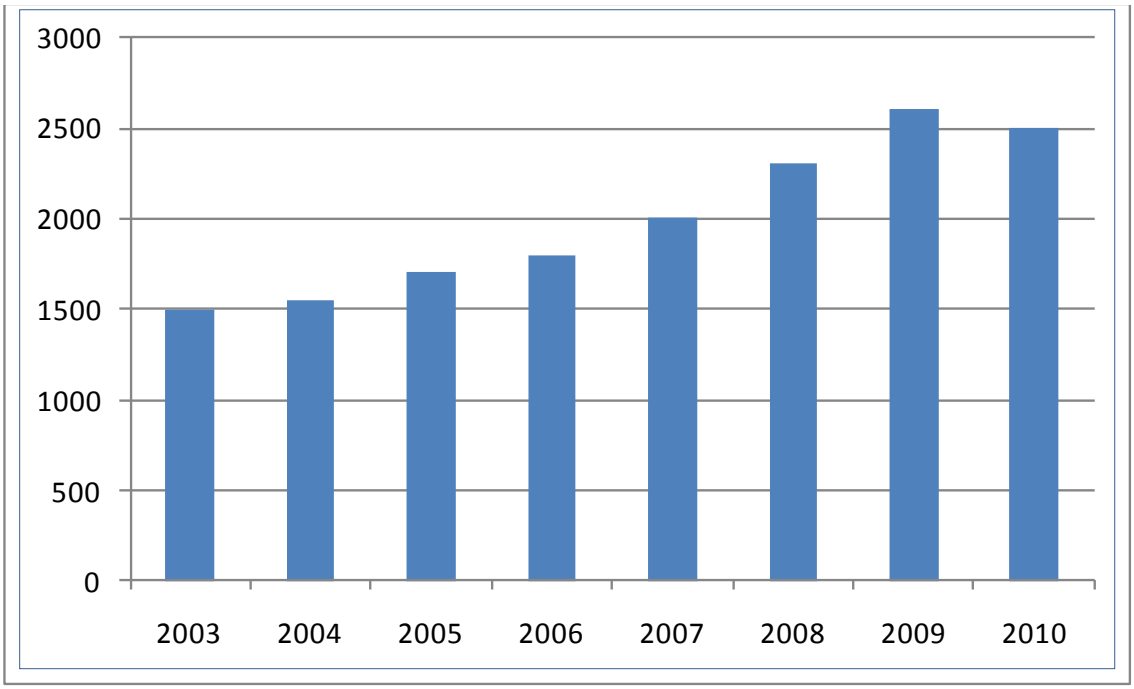
While supply for fixed route service grew by 12 percent between 2003 and 2008, demand for this service saw a more significant rate of growth (35 percent). Demand for the vanpool program also grew significantly, with a 78 percent increase in passenger trips during this timeframe. During this five-year period, growth in vanpool miles and ridership has resulted in this mode surpassing demand response as the second largest transit service in terms of both revenue miles and

passengers. While commuter rail supply more than doubled (in terms of service provided) between 2003 and 2008, passenger demand more than tripled, increasing from about 0.7 million trips in 2003 to over 2.7 million trips in 2008.

As shown in Figure 2-6, the number of vanpools operating in the state increased dramatically between 2003 and 2010, reaching its highest levels in 2009. In 2008 gas prices were at an all time high which contributed to significant demand for more vanpools which serve primarily a commuter-oriented market. Many transit agencies throughout the state at that time had to generate waiting lists for vans.

However, immediately following this period of robust growth, the nation and the state experienced a severe economic downtown which negatively impacted the job market and vanpooling—since there is a direct correlation between the two. In 2009, unemployment across the state rose to 8 percent from 4 percent in the previous year. Fewer jobs and lay-offs mean fewer commuters. If too many riders within a vanpool lose or change jobs, it can cause the vanpool to end since there would not be enough riders to continue operating. Additionally, some employers have reduced employee transportation-related benefits including vanpool fare subsidies.

Figure 2-6. Operating Vanpools in Washington State (2003 to 2010)



2.1.3 Current Transit Connectivity

The focus of service provided by transit systems is on meeting needs within their respective service areas. However, the systems also recognize the importance of connections between their service and other public transportation systems.

Connections provided by transit systems include:

- Adjacent transit systems with connections at transit centers or park-and-ride facilities to allow convenient transfers

- Regional transit systems with local bus systems providing feeder access
- Inter-County and Interstate services including Amtrak, State Ferry service, private bus routes, Travel Washington bus routes
- Services provided by non-profit organizations

As part of this study, WSTA provided information on current connections for eight regions in Washington State. The following sections provide a sampling of major inter-system transit connections in these regions.

South Puget Sound

Intercity Transit operates 16 roundtrips on weekdays between Olympia and Pierce County serving Lakewood Station, the SR512 park-and-ride facility, downtown Tacoma and the Tacoma Dome Station. PT provides 8 peak period, weekday roundtrips between Pierce County and Thurston County. Sound Transit connections to Intercity Transit service to Olympia are available from Tacoma Link light rail, Sounder commuter rail South Line and eight ST Express routes. Mason Transit connects to Intercity Transit and Grays Harbor Transit at the Olympia Transit Center. Greyhound is co-located with Pierce Transit at the Tacoma Dome Station.

Olympic Peninsula

Clallam Transit connects with Jefferson Transit at Sequim and at Forks. The Forks connection is part of the Olympic Peninsula Connector service provided by Jefferson Transit and connects with Grays Harbor Transit at Amanda Park. The Sequim connection allows connection to the Washington State Ferry service in Port Townsend. Jefferson Transit operates service across the Hood Canal Bridge to connect with Kitsap Transit at Poulsbo. Kitsap Transit makes a direct connection with Mason Transit eight times each weekday at the multi-modal Bremerton Transportation Center.

North Puget Sound

Whatcom Transportation Authority (WTA) connects with Skagit Transit and Island Transit in Mt. Vernon at Skagit Station. WTA provides service to Greyhound, Amtrak and the Alaska Ferry in Bellingham and the Lummi Island ferry (operated by Whatcom County). Ten weekday roundtrips are provided by Skagit Transit to Everett Station. This service connects to Sound Transit, Everett Transit and Community Transit. Everett Transit connects with Island Transit at Everett Station and continues the trips of Island Transit customers at Mukilteo Ferry. Community Transit and Everett Transit connect at Everett Station, downtown Everett, along Swift BRT corridor, in Marysville, at Mukilteo Ferry Terminal and at Mariner park-and-ride. Connections by Sound Transit to Community Transit local services are available via Sounder commuter rail North Line and six ST Express bus routes.

Central Puget Sound

King County Metro Connections with Pierce Transit at: *Federal Way Transit Center, Auburn Station* (funded by partnership of Metro, PT, City of Auburn). King County Metro connections with State Ferries at *Colman Dock:* Routes 16, 66, 99, and multiple others in downtown Seattle—*Fauntleroy:* Routes 54, 116, 118, 119, *Vashon:* Routes 118, 119, *Tahlequah:* Route 118. Pierce Transit connections with Kitsap Transit occur at the Purdy Park and Ride in Gig Harbor. Community Transit/King County Metro connect in downtown Seattle and University District (weekdays), Shoreline, Bothell and Mountlake Terrace. Sound Transit connections to King County Metro local

service are available from Central Link light rail, Sounder commuter rail North and South Lines and twenty-three (i.e. all but one) ST Express routes.

Southwest Washington

C-TRAN connects with rural transportation service provided by the Lower Columbia CAP at the Salmon Creek Park & Ride. C-TRAN provides connections to the Amtrak and Greyhound stations in downtown Portland seven days a week. C-TRAN provides connections with Skamania County Transit Service at the Fisher's Landing Transit Center with connections to Salmon Creek Park-and-Ride and CAP.

Eastern Washington

STA connects to Wheatland Express (intercity private bus service) two times a day, seven days a week at the Spokane International Airport. STA connects with the Travel Washington Gold Line's two daily round trips at the Spokane Intermodal Center and Spokane International Airport. STA connects to KALTRAN (Kalispel Tribe) four times a day.

Southeast Washington

Ben Franklin Transit provides a connection with Yakima County via the People for People's Yakima-Prosser connector in Prosser. BFT connects with the Travel Washington Grape Line at the BFT Pasco Transfer Center. Columbia County Transit provides service from Dayton, Starbuck, Prescott and Waitsburg to the Walla Walla Transit Center which is also served by Valley Transit.

North Central Washington

Link Transit connects to Okanogan County Transit's weekly service at the Chelan Transit terminal and Columbia Station Intermodal Center in Wenatchee. The Apple Line has daily transfer opportunities with Link Transit in Omak, Okanogan and Pateros. Grant Transit can connect to Okanogan County Transit's weekly service at the Columbia Station Intermodal Center in Wenatchee. Okanogan County Transit provides one weekly trip to the Chelan and Wenatchee areas. Grant Transit connects to the People for People service in Yakima County in Moses Lake and Warden.

2.1.4 Unmet Needs—Transit Systems

The review of Transit Development Plans submitted to WSDOT Public Transportation as well as information provided by the Washington State Transit Association (WSTA), present insights on transit system needs. A major part of these needs is associated with economic conditions since 2008 at both the state and national levels. In 2009, WSTA provided an overview of how the recent economic downturn has affected transit revenues. The following sections present highlights of this overview.

Reduced Levels of Local Sales Tax Support

Overall, after accounting for King County's increased tax rate (which was increased in 2006), sales tax revenues fell over 2.3 percent in 2008. Into 2009, this decline increased and continued with sales tax revenues decreasing another 12.7 percent as compared to 2008. With the exception of three systems (Skagit Transit, Valley Transit, and Sound Transit) that passed increased sales tax rates, every transit system in the State of Washington, saw a decline in sales tax revenue in the first 8 months of 2009. Many systems have seen double-digit decreases in 2009 with the statewide averages decrease exceeding 12.5 percent.

Transit systems across the state are, at best, maintaining existing service levels. Most are doing this by drawing down reserve levels, by deferring capital projects (including bus replacements), increasing fares or cutting service. Additional actions will be necessary to address revenue shortfalls if sales tax receipts do not improve. Four systems reduced service in 2009 and eight systems plan reductions in 2010. Almost every system in the state will face reductions in the 2011 to 2014 time frame if additional revenue is not found.

The service reductions occurred even though transit systems had experienced record ridership levels and demands for expanded service through 2008. After passage of I-695 in 1999 transit ridership had declined to about 158.7 million annual trips in 2002. But by 2008, ridership grew by 19 percent since 2002 due to a combination of factors such as added service (resulting from increased sales tax support), a growing state economy, and higher gas prices. The growth is shown in Figure 2-7. Between 2007 and 2008 alone, ridership on fixed route services grew by 15 percent.

Figure 2-7. Change in Fixed Route Transit Ridership: 1998 to 2008

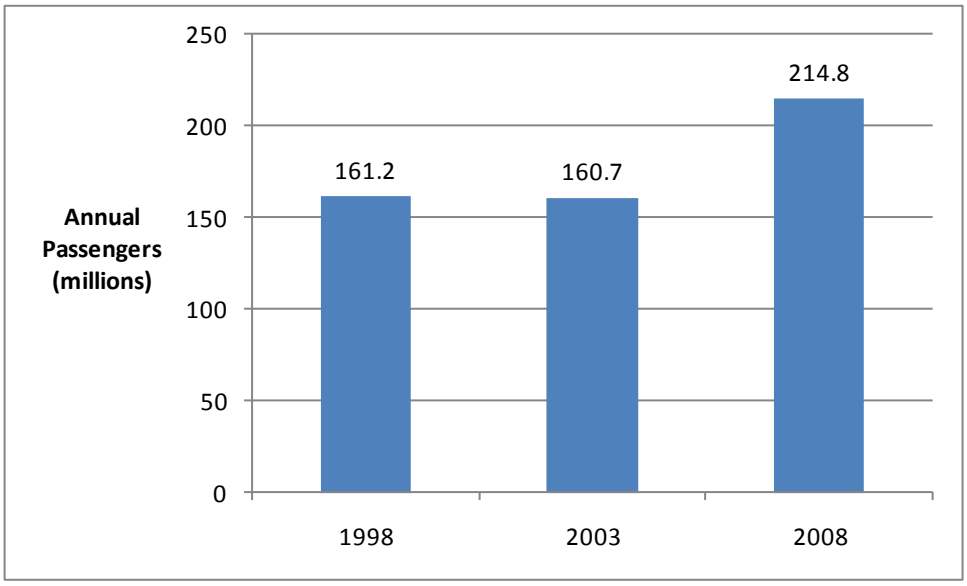
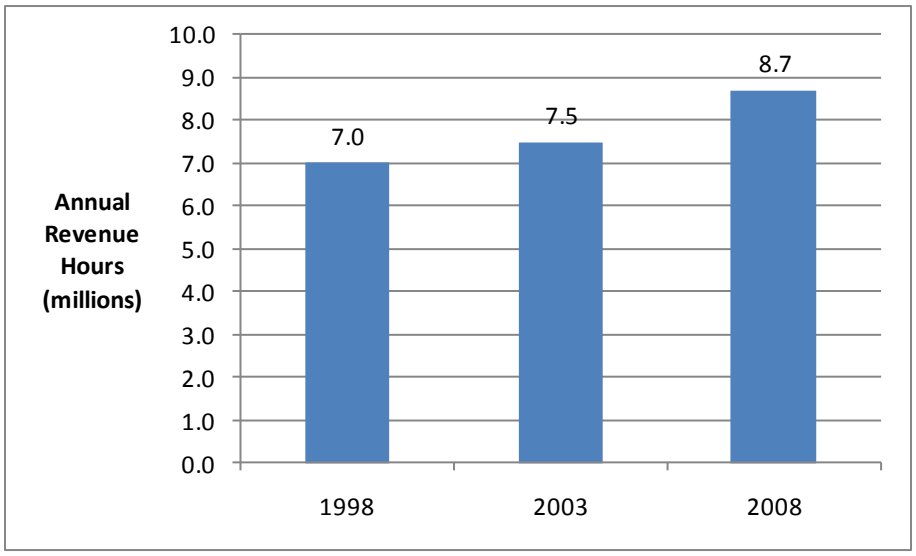


Figure 2-8 shows the extent of public transit service supply, measured in terms of annual revenue miles, for 1998, 2003, and 2008. Revenue hours grew by approximately 7 percent between 1998 and 2003 but a much higher rate of growth in revenue hours, approximately 16 percent, occurred between 2003 and 2008.

Figure 2-8. Change in Public Transit Revenue Hours: 1998 to 2008



Over 60 percent of the transit systems in Washington have increased fares since mid-2008. Four systems are planning an increase over the next 12 months and two systems are considering a second increase. On average, fares make up a little over 10 percent of revenues for transit systems statewide although this varies among providers and types of transit services. Fares for fixed route systems covered 20 percent of operating costs, ranging from 0 percent for Selah Transit and Island Transit (since these systems are fare-free) to 61.3 percent for Pullman Transit. The relatively high level of costs that are covered by Pullman Transit's passenger fares is due in part to a major reduction in bus service levels during summers when demand from the Washington State University community decreases. For more typical fixed route systems, the highest farebox recovery is by King County Metro and Sound Transit (mix of bus and rail) at 23 percent. Fares for small urban demand-response systems covered about 3 percent of operating costs, ranging from 0 percent for Island Transit to 6.8 percent for Yakima Transit. A substantial increase in fares would not fully address the need for additional revenue and would likely have a negative impact on ridership, particularly the transit dependent.

In response to increased demand, a number of systems expanded service in 2008, some of which was associated with rapid increases in gas prices or due to planned expansion funded by earlier sales tax increases. Most systems who maintained service levels in 2009 did so by drawing down reserves while some systems have already reduced or are planning to reduce service. The only systems that have been expanding are those that recently passed sales tax measures however even these systems are being affected by the prolonged recession and are concerned about the 2010 to 2014 time period.

Most transit systems have deferred capital projects or are undertaking no new capital projects without grant funding. The most common one is deferral of replacement vehicles that are at or beyond their recommended service life. Instead transit systems have been extending the service life of vehicles which is at best a short-term answer. Delaying replacing older vehicles means higher emissions, greater energy use and higher operating costs. The deferral of transit facility projects such as park-and-ride facilities, transit centers, or operations and maintenance facility limits the ability of many systems to increase service or respond to increased demand.

Gaps in Transit Service Connections

While extensive inter-system service connections are currently provided by transit systems, there are gaps that keep these connections from being more effective. Based on information provided by WSTA, several major categories of service connection gaps are identified in Table 2-3[2]. Additional information on connection gaps is presented in Exhibit 2.

The most dominant type of service gap identified involves limited service availability by one or more of the connecting systems. An equal number of instances (10 each) were identified for local service connections as well as those involving connections to inter-county and interstate public transportation. For example, in Northwest Washington, Jefferson Transit and Kitsap provide connecting services but this is limited to four roundtrips on weekdays, two on Saturdays, and none during midday's, weekends, and holidays. Similar types of gaps were identified for local connections to inter-county and interstate public transportation services. For example, due to service cuts, the Whatcom Transportation Authority will no longer provide Sunday service to Amtrak and Greyhound.

Table 2-3. Gaps in Service Connections (WSTA, September 2010)

Agencies Affected by Gaps	Service Gaps
Limited Service Availability—Connections between Local Services (10)*	
Mason Transit / Intercity Transit	Midday service very limited; no Sunday service
Pierce Transit / Mason Transit	Connections are infrequent and only occur on weekdays
Clallam Transit / Jefferson Transit	Limited service is provided to Sequim by Jefferson Transit. Service is very limited. No Sunday service is provided.
Jefferson Transit / Kitsap Transit	Service is very limited (4 roundtrips on weekdays; 2 on Saturdays). No connections during midday, weekdays, Sundays.
Jefferson Transit / Mason Transit	Limited Saturday service; no Sunday service
Kitsap Transit / Mason Transit	Last weekday trip leaves Bremerton at 6:35 p.m. Saturday service is limited; no Sunday service
Island Transit / Skagit Transit	No Sunday service and limited Saturday service
Everett Transit / Skagit Transit	No weekend service
Community Transit / Skagit Transit	No weekend service.
Community Transit with Everett Transit, King County Metro, Sound Transit, Amtrak-Greyhound, Ferry Service	No Community Transit service on Sundays or major holidays
Limited Service Availability—Local and Inter-County / Interstate Connections (10)*	
Whatcom Transportation / Greyhound-Amtrak	Effective September 19, 2010, no Sunday service to Greyhound/Amtrak.
Skagit Transit / Ferry Service	Limited service between Skagit Station and connecting service to ferry terminal (four weekday trips, no weekend service)
Ferry Service / King County Metro	Some midday and evening connections between transit and ferries are difficult due to less frequent and irregular service
Apple Line / Okanagan County Transit	Service is limited
Apple Line / Grant Transit	Connections infrequent; only on weekdays
Grant Transit / People for People	Limited connections in Moses Lake and Warden with People for People route serving to Yakima County.
CTRAN / Skamania County	Skamania Transit does not provide service on weekends; limited midday service.

[2] Provided by WSTA to PB (September 13, 2010)

Agencies Affected by Gaps	Service Gaps
Link Transit / Okanagan County Transit	Service by Okanagan County Transit 1 day per week; requires a request in advance
Link Transit / Grant Transit	Connections are one round trip per day and only occur on Weekdays
CTRAN and Intercity/Mason/Grays Harbor/Twin/Pierce Transits	CAP provides connections to Intercity Transit in Tumwater but does not operate on weekends and has limited weekday service
Scheduling Gaps (5)*	
Intercity Transit / Pierce Transit / KC Metro	Weekend service on Intercity Transit is too late for connections to Sea-Tac Airport service
Intercity Transit / Amtrak	Weekend service begins too late for some Amtrak connections; expansion of Amtrak service in corridor may require additional service
Spokane Transit / Amtrak-Greyhound	STA service ends too early to connect to Amtrak service which arrives and departs after 1:00 AM
Grant Transit / Amtrak-Greyhound	Timing of connections in Ephrata (Amtrak) and Moses Lake (Greyhound)
Link Transit / Amtrak-Northwest Trailways	Making timely connections in Wenatchee
Local Bus Access to Regional and Inter-City Facilities (5)*	
King County Metro / Sound Transit	Lack of ticket vending machines at Federal Way Transit Center impedes convenient regional transfers.
King County Metro / Sound Transit	Limited bus layover facilities at some LRT stations presents challenges for expanding bus service (e.g. to Tukwila Int'l Blvd Station)
King County Metro / Sound Transit	No all-day service to Tukwila Sounder Station due to limited availability of private access road to Renton
Pierce Transit / Sound Transit	Increased demand expected for transfers bus to Sounder rail system in Pierce County.
CTRAN/ Amtrak-Greyhound	There is no service to the Vancouver Amtrak Station.
Added Capacity Needed for Existing Inter-County/Interstate Service (3)*	
Whatcom Transportation / Skagit Transit	Demand warrants two more weekday round trips for current inter-county bus route.
Whatcom Transportation / Island Transit	Demand warrants two more weekday round trips. Service connections to Whidbey and Camano Islands funded through state grant and may not be sustainable in the future.
King County Metro / Pierce Transit	Growth in inter-county demand (e.g. Federal Way / NE Tacoma) could require higher levels of service on local bus routes.
Intercity Transit / Twin Transit	Affects I-5 corridor connecting Thurston and Lewis Counties
Spokane Transit / Citylink (Kootenai County, ID)	Transit service gap between Liberty Lake, WA and Post Falls, ID.
New Transit Connections along Regional Corridors (1)*	
Sound Transit	Potential new HCT connections to Everett, Redmond, Pierce County, and potentially Thurston County. Not funded
Gaps in HOV Lane Availability (1)*	
Sound Transit / Pierce Transit / King County Metro / Community Transit	Several sections of the regional HOV system are currently incomplete.
Contingency for Major Bridge Failure (1)*	
Kitsap Transit / Jefferson Transit	Enhance connections between Kitsap County and Jefferson County in the event of a prolonged closure of the Hood Canal Bridge.

*Type of service gap (how often identified)

The second dominant types of service gaps are scheduling coordination and local access to regional transit facilities. Most of the scheduling gaps involve local access to Amtrak or intercity bus stations. Local bus access to regional facilities were mostly identified in the central Puget Sound region but it was also noted in Southwest Washington where local bus access is not currently provided to the Amtrak station in Vancouver.

While inter-county connections are provided, several transit systems identified the need for capacity expansion. Examples include added weekday trips for Whatcom/Skagit and Whatcom/Island connections. The need for new regional connections to fill current gaps was also identified. Examples included connections between Thurston and Lewis Counties as well as between Spokane Transit (Eastern Washington) and Citylink in Kootenai County, Idaho.

Inter-system connections are complemented by high-occupancy vehicle (HOV) lanes along major state highways. However, as identified in the WSTA information, several sections of the HOV system are incomplete, thereby compromising the effectiveness of express bus service along affected corridors.

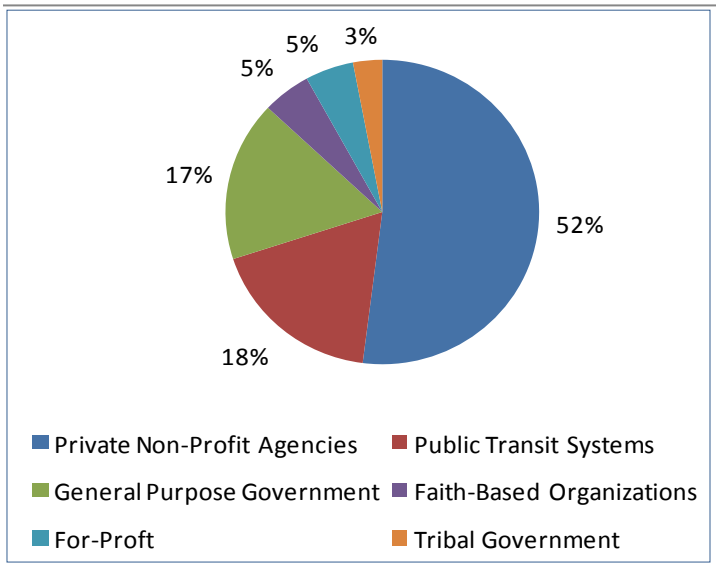
2.2 Specialized Transportation Programs

Specialized paratransit programs are designed to serve the needs of those who cannot use public fixed route service (e.g., elderly, persons with disabilities) or who are located in areas that are not served by transit systems. Transit systems provide specialized services through demand responsive programs. These programs include those required by the federal Americans with Disabilities Act (ADA). ADA requires that complementary ADA services must be provided within a one-quarter mile of fixed route service for those who cannot functionally use fixed-route service. The growing and aging population in Washington State will likely place even more pressure on paratransit services. More seniors and people with disabilities will require specialized public transportation.

As indicated on Figure 2-9, most specialized transportation programs in Washington State are provided by organizations other than transit agencies. Over 50 percent of the providers are private non-profit organizations.

Faith-based and for profit groups and tribal governments make up 5 percent or less of total providers. With the direct federal funding for tribal transit programs, Washington tribes are providing more services to their members.

Figure 2-9. Number of Specialized Transportation Providers by Organization/Agency Types



2.2.1 Transit Agency Providers

Transit agencies and general-purpose government are the next dominant type of provider at about 18 percent of total providers. Public transit systems do provide substantial special needs

transportation on buses (fixed route and route deviated) and on demand response service. These trips and the demand for additional service, including trips to adult day health care centers formerly covered by Medicaid and/or trips for those eligible under the ADA, have been increasing. However, these increases have occurred without corresponding funding to adequately compensate for added trips. This represents a significant shift from a state and federal role to public transit systems and non-profit providers.

Of the over approximately 200 million fixed-route trips in 2008, a portion of these riders qualified as special needs (elderly, disabled, children and people with low incomes). In addition, there were over 4.9 million door-to-door paratransit trips for those eligible under the Americans with Disabilities Act. Public transit systems also have taken on additional operational and financial responsibilities for Medicaid trips including a shift of all Adult Day Health Center trips previously covered by Medicaid in 2009.

Transit agency provided specialized demand-responsive services that accommodated approximately 4.9 million boardings in 2008. These services required substantial shares of each agencies total operating budget. These shares range between 8 percent for Community Transit to 100 percent for Garfield Transit. Table 2-4 provides 2008 operating information for specialized services by transit systems[3].

It should also be noted that "specialized transportation" at transit agencies consumes a disproportionately high portion of operating budgets relative to ridership and farebox recovery. Current federal regulations require a discounted fare be offered to these passengers. Disproportionate growth in paratransit demand will put pressure on resources now devoted to fixed route and other services. The high cost of service is due in part to ADA requirements.

2.2.2 Profile of Special Needs Transportation Providers

A recently completed report—the Special Needs Transportation Coordination Study[4]—provided a summary profile of special needs transportation services in Washington State. This profile was based on a review of the approximately 600 organizations and agencies that provide some level of special needs transportation in the state. The types of organization vary and can include public agencies, community-based groups, human service programs, employers, and faith-based groups.

The major observations from the Study included the following:

- While non-profit organizations are the dominant group providing special needs transportation, many transit systems also serve special needs markets and the general public, especially in rural areas.
- Most specialized public transportation is provided to seniors and persons with disabilities. The minimum age to qualify as a “senior” varies among the providers, ranging from 55 to 75 years old.

[3] 2007 Summary of Public Transportation (WSDOT)
[4] Special Needs Transportation Coordination Study - Final Report (State of Washington Joint Transportation Committee, January 2009)

Table 2-4. Demand Response Service Information

	Farebox Revenues	Passenger Trips	Operating Expenses
Systems Serving Urbanized Areas			
C-TRAN	$266,498	246,684	$8,799,279
Community Transit	$274,305	214,568	$8,401,128
Everett Transit	$41,211	111,684	$3,894,273
King County Metro Transit	$831,048	1,145,480	$52,752,281
Pierce Transit	$337,001	451,646	$17,637,236
Sound Transit	N/A	N/A	N/A
Spokane Transit Authority	$211,042	516,516	$11,961,832
Subtotal Urbanized Areas	$1,961,105	2,686,578	$103,446,029
Systems Serving Small Urban Areas			
Ben Franklin	$391,739	668,991	$14,946,173
Cowlitz Transit Authority	$5,602	46,895	$789,075
Intercity Transit	$124,936	130,849	$5,134,911
Kitsap Transit	$323,069	428,537	$9,548,676
Link Transit	$51,079	69,549	$2,246,707
Selah Transit	N/A	4,207	$44,286
Skagit Transit	$10,968	58,740	$2,476,676
Whatcom Transportation Authority	$144,926	184,200	$5,851,304
Yakima Transit	$172,055	96,160	$1,487,657
Subtotal Small Urban Areas	$1,224,374	1,688,128	$42,525,465
Systems Serving Rural Areas			
Asotin County Transit	$6,297	10,418	$147,462
Clallam Transit System	$149,361	61,634	$1,328,155
Columbia County Public Transportation	$63,131	41,630	$654,426
Garfield County Public Transportation	$4,697	12,085	$122,600
Grant Transit Authority	$36,634	30,212	$1,207,864
Grays Harbor Transportation Authority	$72,299	144,597	$2,734,928
Island Transit	N/A	41,036	$769,154
Jefferson Transit Authority	$83,925	20,914	$737,282
Mason County Transportation Authority	N/A	58,581	$1,894,994
Pacific Transit	$15,544	15,196	$522,016
Pullman Transit	$7,058	18,255	$635,883
Twin Transit	$4,029	12,050	$170,116
Union Gap	N/A	2,437	$33,032
Valley Transit	$7,321	46,098	$1,038,809
Subtotal Rural Areas	$450,296	515,143	$11,996,721
TOTAL ALL SYSTEMS	$3,635,775	4,889,849	$157,968,215

Source: http://www.wsdot.wa.gov/Publications/Manuals/PTSummary.htm

- Some services for persons with disabilities are directed to specific populations such as cancer and kidney dialysis patients.
- Services are typically provided Mondays through Fridays only, with only a third of the providers offering services on weekends.
- *Types of service provided*. A variety of special needs public transportation services are provided in Washington State but the dominant type is demand response. Over 90 percent of the transportation agencies/organizations provide demand response service.

Other types of service and the percent of transportation providers that offered them were:

- ADA Paratransit 40 percent
- Fixed Route 30 percent
- Volunteer Drivers 25 percent
- Deviated Fixed Route 18 percent
- Intercity Service 15 percent
- Job Access Transportation 10 percent
- Vanpool 10 percent

There are also variations among specialized transportation providers in terms of the types of passengers they serve. While a majority serves seniors and persons with disabilities, over 30 percent provide services to either the general public or low income persons. The following identify the extent of service types provided by specialized transportation services.

- Persons with Disabilities 70 percent (of total specialized transportation providers)
- Seniors 60 percent
- General Public 40 percent
- Low Income 30 percent

About one-half of the specialized transportation providers offer service Mondays through Fridays only. However, over 40 percent provided services on weekends. The following provide the breakdowns regarding the extent of service during the week.

- Monday through Friday 50 percent (of total specialized transportation providers)
- Seven Days/Week 34 percent
- Six Days/Week 10 percent
- One-Four Days/Week 5 percent
- Once per month 1 percent

2.2.3 Unmet Needs: Specialized Public Transportation Services

The Coordinated Human Services Transit Plans prepared by Regional Transportation Planning Organizations and Metropolitan Transportation Organizations provide information on needs associated with specialized public transportation in Washington. These Transit Plans provide direction on the types of unmet needs in regions throughout the state.

Table 2-5 provides a breakdown on the type of unmet need and frequency of identification by the Coordinated Human Services Transit Plans. The expansion of service hours was mentioned as a need in all 11 of the Coordinated Human Services Transit Plans. Some Plans indicated that this need is associated with types of employment such as agriculture which have irregular destinations and hours of work. The start times likely do not correspond with schedules currently provided by specialized services. Transit information (awareness, education, and coordination) was the second

dominant type of needs, with 8 of 11 plans identifying it. It should be noted that addressing this need would not incur major costs as compared to added service hours or frequency improvements.

Table 2-5. Major Needs as Indentified in Coordinated Human Services Transit Plans

Needs	How Often Mentioned? (out of 11 total plans)	Agencies that Identified Needs	Notes
Expanded Service Periods	11	Ben Franklin COG, NE Washington RTPO, Palouse RTPO, Peninsula RTPO, Quad County RTPO, Skagit-Island RTPO, Spokane RTC, SW Washington RTC, Thurston RPC, Whatcom COG, Yakima COG	Examples include serving agricultural industry which has non-traditional work schedules.
Transit Information Awareness, Education, and Coordination	8	Palouse RTPO, Peninsula RTPO, PSRC, Skagit-Island RTPO, Thurston RPC, SW Washington RTC, Whatcom COG, Yakima COG	
Better Intercity Service	6	Ben Franklin COG, NE Washington RTPO, Palouse, Skagit-Island RTPO, Whatcom COG, Yakima COG	In some cases (Palouse RTPO) there is lack of connections to more populated areas. In other cases (Skagit-Island) the need involves improvement to existing services.
Service Coordination/ Connectivity between Systems	6	NE Washington RTPO, Palouse RTPO, Peninsula RTPO, PSRC, Skagit-Island RTPO, Whatcom COG	Includes coordination of information such as single source for schedules (Palouse RTPO). The PSRC Plan noted that there is lack of coordination between Ferry service and paratransit service.
Increased Frequency	5	Quad RTPO, Skagit-Island RTPO, Wenatchee Valley Transportation Council, Whatcom COG	
Continuous Service Funding	3	Quad County RTPO, Skagit-Island RTPO, Spokane RTC	
Better Conditions at Bus Stops	3	PSRC, Spokane RTC, SW Washington RTC	

Better intercity service and service coordination/connectivity between systems was identified by 6 of the 11 Coordinated Human Services Transit Plans. These needs are related since improved connectivity could be enhanced through improved intercity service.

Needs identified in the Coordinated Transit Plans also included several items specific to geographic areas within the state. Rural counties often emphasized the need for reliable transit for employment outside of typical core hours. Examples of the unmet needs identified in these plans include:

- The Benton-Franklin Council of Governments noted a need for expanded service to food processing and orchard locations.
- The Palouse RTPO noted that uncompetitive wages and limited Department of Licensing staff to provide Commercial Drivers License (CDL) certification made it difficult to maintain qualified drivers.
- The Whatcom Council of Governments (COG) identified a need to expand beyond the current hub-and-spoke system, which is centered on Bellingham, and to provide better connections between the "spokes."
- The Puget Sound Regional Council (PSRC) noted that there is a need to develop consistent service standards (such as acceptable wait times, frequency of service by area, trip lengths and/or number of transfers) in order to better communicate to customers what expectations are reasonable, as well as providing a benchmark against which current service may be measured.

The Joint Transportation Committee *Special Needs Transportation Coordination: Final Report* (2009) also identified several common themes[5]. In general, the unmet needs identified in this report were similar to those noted in the Coordinated Public Transit-Human Services Transit Plans. Key transit needs included the following:

- More mobility options, particularly in rural areas.
- Better connectivity between systems is needed, especially where boundaries are based on institutional / jurisdictional areas rather than the needs of customers.
- Lack of affordable housing in urban areas results in many people with special needs moving to rural areas for more affordable housing, but ending up farther away from needed services.

Issues influencing coordinated planning were also found in the respective transit plans:

- "Silo" funding prevents coordination including funding sources such as state/federal funding for social service programs, veterans, health, etc.
- Except for the Central Puget Sound area, there is no "one-call" center to assist customers with arranging travel and providing information.
- Lack of connectivity, duplication of service, and inconsistent coordination efforts prevail in many areas of the state, despite a desire to improve coordination.
- Coordination between public paratransit services and Medicaid services should be promoted, perhaps with pilot/demonstration programs, certifying transit operators as Medicaid service providers, and capturing the value of Medicaid trips on transit services that are not currently reimbursed.
- Site-selection efforts for many facilities should include access to transit services
- Insurance issues also serve as a barrier to greater coordination since sharing rides and equipment is perceived to increase risks and have liability implications.

[5] Special Needs Transportation Coordination: Final Report (Nelson/Nygaard for the Washington State Joint Transportation Committee, January 2009)

2.3 State-Supported Services and Programs

In addition to public transportation services provided within defined service areas, such as a county, several inter-city services are provided that receive some level of either state support and/or federal funding that is administered by WSDOT. The intercity programs include:

2.3.1 Intercity Rail Passenger Service

Amtrak *Cascades* service is provided between Eugene, Oregon and Vancouver, B.C. with stations in downtown Seattle and several other locations in Clark, Cowlitz, Lewis, Thurston, Pierce, King, Snohomish, Skagit, and Whatcom Counties. Since inauguration in 1994, demand has increased from 95,000 riders in 1993 to an estimated 800,000 riders in 2010. The original Seattle-Portland service was increased from the one trip per day provided by Amtrak in 1993 to additional runs that have since been implemented to meet growing demand. Four round-trips per day now operate in the Seattle-Portland corridor, with Amtrak sponsoring one train and Washington sponsoring the other three. In 2006, a service that initially ran only between Bellingham and Seattle was extended to Portland, thereby becoming the fourth Seattle-Portland round-trip. In 2009, Washington extended that train service to Vancouver, B.C., thereby providing a second daily round-trip to Canada.

In 2009, the federal government enacted legislation relating to planning, design, and construction of high speed and intercity passenger rail in a number of designated corridors. One of these corridors corresponded to the current Amtrak *Cascades* service between Oregon and British Columbia. WSDOT recently received $590M in Federal American Recovery and Reinvestment Act funding (ARRA) to help fund development of the overall 267 miles of the corridor in Washington and specifically focused on the Seattle-Portland segment. The long-term vision is to have a dedicated track with service operating at 110 mph and providing 13 daily round trips between Seattle and Portland and 4 round-trips between Seattle and Vancouver, B.C. Improvements to the corridor will be done incrementally, with a number of near-term investments in track and signal improvements which are expected to reduce travel times by approximately 5 percent, improve service reliability, and provide two additional roundtrips per day between Portland and Seattle.

2.3.2 Inter-system Public Transit Services

The state, through biennial appropriations and grant funds, provides support for inter-county transit services connecting Island, Skagit, Snohomish, and Whatcom Counties. The routes include the County Connector between Whatcom, Skagit, and Snohomish Counties and Everett Connector between Island, Skagit, and Snohomish Counties. This service represents a partnership between the state, and four transit agencies: Island Transit, Whatcom Transportation Authority, Skagit Transit, and Community Transit. The routes serve a variety of markets, including commuters destined to major employment centers in the Everett area.

The state also provides intercity and inter-county connections through the Washington State Ferry System (WSF). At ferry terminals, there are important connections between the ferries and local transit systems for those who walk on the vessels. Coordination of services at the origin and destination end of the trip helps to provide quality connections for ferry users.

2.3.3 Travel Washington Intercity Bus Services

WSDOT recently initiated a unique program involving intercity bus services connecting communities in less developed populations areas. The program received federal FTA 5311(f) funds

but local match is provided through private bus company commitments. The service uses private contractors to operate the bus routes. Previously, potential providers submitted a grant request. Now, through the contracting process, WSDOT takes into consideration the interests of the entire state network when determining which routes to fund. Each private contractor promotes the service with the *Travel Washington* brand. While the service is privately operated, the program has a common brand that is registered with WSDOT. A key feature of the state-supported program is the extent of service coordination with other inter-city services (e.g. Amtrak, Greyhound, and airports) and local transit routes. The contracts with private operators of these services require inter-line agreements with other inter-city services.

Three Travel Washington routes are currently operated (effective June 2010):

- The Grape Line operates between Walla Walla and Pasco. It provides connections with Greyhound, Amtrak, Ben Franklin Transit and Valley Transit. One-way fares range from $3.00 to $7.00 dollars. Three round trips are provided each day except on holidays.
- The Dungeness Line on the Olympic Peninsula connects Port Angeles, Edmonds, and Seattle with Sea-Tac International Airport. The route provides links to Greyhound, Amtrak, Washington State Ferries and privately operated ferry service to Victoria, British Columbia. One-way adult fares range from $28.00 to $39.00 dollars. Two round trips are provided each day.
- The Apple Line serves Omak, Wenatchee, and Ellensburg. The route provides connections to Greyhound, Northwest Trailways and Amtrak. This intercity bus route provides service to the rural communities along the U.S. 97 corridor. One-way fares range from $9.00 to $32.00 dollars. One round trip is provided each day.
- A new bus route (Gold Line) between Kettle Falls and Spokane will be added to the network in September 2010.

2.3.4 Washington State Ferries

Washington State Ferries (WSF) provides service to 20 terminals, all located in the state except for the one in Sidney, B.C. Except for Shaw and Lopez Islands, each terminal has local public transportation access. In the central Puget Sound area, coordination between WSF and local transit service has been enhanced through the One Regional Card for All (ORCA). Bus and ferry riders need to load two separate monthly pass products onto their ORCA card: WSF monthly pass for your ferry service and a PugetPass for your transit travel. The price of a WSF Central Sound passenger pass is $88.35. The ORCA PugetPass is good on Kitsap Transit, King County Metro, Sound Transit, Community Transit, Everett Transit and Pierce Transit.

2.3.5 Vanpool Programs

Transit systems in Washington, including large urban, small urban and rural services, operate vanpool programs. Public transit systems operate the individual vanpool programs, with over 2,700 vans in service providing almost 8 million revenue vehicle miles in 2008.

In 2003, the Washington State Legislature created a vanpool grant program to increase vanpooling by commuters. WSDOT and transit agencies created the Vanpool Investment Program to guide vanpool program development and manage vanpool grants. Since 2003, the state has provided funds for vanpool vehicle purchases. The initial funding level for the 2003-2005 Biennium was $4 million. In the 2009 through2011 WSDOT budget, the Vanpool Investment (VIP) will provide $7

million in funding for vehicle replacement or expansion. Most of the funds are available to transit systems but there is also availability for employer incentives.

The capital grants to transit systems are based on the following conditions:

- Funds can be available for both expansion and replacement vans
- The grants cannot supplant transit funds currently supporting vanpools
- The grants will require a local cash match of 20 percent

2.3.6 Commute Trip Reduction Program (CTR)

The commute trip reduction law was enacted by the Legislature in 1991 with the intent to improve air quality, reduce traffic congestion, and reduce the consumption of petroleum fuels through employer-based programs that encourage the use of alternatives to driving alone. Several changes have been made to the program in the 18 years since its inception. The most significant revisions occurred in 2006 with the passage of the CTR Efficiency Act, which made the program more focused, streamlined, flexible and coordinated with other local and regional planning requirements. The Act transformed CTR from a program with a top-down mandate to one that is locally-driven and coordinated with local and regional planning requirements. This change builds on existing CTR infrastructure so that resources can achieve the greatest impact.

Local governments within urban growth areas may voluntarily establish Growth and Transportation Efficiency Centers (GTECs). Per the Planning Guide developed by WSDOT, the goal of GTEC program is to provide greater access to employment and residential centers while increasing the proportion of people not driving alone during peak periods on the state highway system. Counties, cities and towns may designate existing or new activity centers as GTECs in order to establish a TDM program in the designated area. The GTEC's goal is to expand the CTR program's focus to smaller employers, students, and residents. About 235,000 commuters have access to services and programs offered through seven designated GTECs.

2.3.7 Support for Managing Demand on Inter-City Corridors

Public transportation systems help manage travel demand on state highways connecting Washington cities. For example, express bus operations supported by HOV lanes enable the facilities to add person-carrying capacity to corridors without the need for adding lanes. For construction projects, public transit systems will play a role in helping manage demand. Examples include the Alaskan Way Viaduct and Seawall Replacement Project and the SR 520 Bridge Replacement Project HOV Lane Project.

2.3.8 Unmet Needs: State-Supported Public Transportation Services

Intercity Bus Service

Unmet needs associated with inter-city bus services involve transit-dependent growth in Washington and future availability of funding support. Intercity connections in urban areas are affected by funding availability. Recently public transit systems in these areas reduced service along major corridors in response to decreased revenues. The Travel Washington routes operate largely in rural areas of the state as do many public transportation systems and some non-profit operators. All of these groups are striving to connect cities and the service is critical; even in cases where miles per trip are high and the service can be perceived as more costly than intra-city urban transit.

Population projections indicate that rural counties will see emergence of seniors as being the most dominant age group within that county. Growth of the senior population is likely to place even greater demand on public transportation.er a state study of intercity services, the lack of available local match from WSDOT, combined with limited availability of federal funding would mean that the program will be limited in terms of number of routes and services that could be addressed and projects that could be included[6]. Annual federal funding of $2.1 million, increasing slightly each year (assuming continued authorization by Congress), will mean that the 5311 (f) program is unlikely to afford capital projects such as intermodal terminals or even the purchase of coaches (which can cost up to $400,000 or more each).

Washington State Ferries

As noted above connections between WSF service and local transit systems is an important element of the state transportation network. In April 2010 the Washington State Transportation Commission (WSTC) conducted surveys of WSF passengers. The main objective of this research was to understand, from ferry riders' prospective, their travel behavior, opinions, and attitudes on important issues currently facing the WSTC and WSF. The survey results included information on connections between WSF and local public transportation service. Key findings relating to inter-system connections are as follows[7]:

- On average, ferry riders would increase their peak walk-on trips by 37 percent if "better transit services and more reliable connections" were available. Of these trips, 47 percent would be for commuting purposes.
- It appears that more improvements are needed on destination side than the "home" side. While 35 percent of those surveyed indicated the need for improvements involving the home end of the trip, 57 percent indicated that the need at the destination end.
- Riders on the Point Defiance/Tahlequah, Fauntleroy/Vashon and Mukilteo/Clinton are most likely to change their walk-on behavior if better transit services and more reliable connections were available.
- Better home to terminal connections is more strongly connected to "better transit services and more reliable connections" for riders of the Seattle/Bainbridge (41 percent indicating the connection) and Seattle/Bremerton routes (45 percent indicating the connection).

2.3.9 Vanpool Investment Program

With the economic slowdown and resulting job losses, vanpool formations in Washington have declined. However, this decline occurred after a major growth period in vanpool formations. The recovery of the economy and/or increases in gasoline prices would likely result in increases and correspondingly higher demands on the state vanpool investment program.

2.3.10 CTR Program

In 2007-2009, the state provided $2.0 million to seven cities for development and implementation of GTEC programs. Despite the lack of state funding, most programs are continuing some elements in 2010[8]. They are relying primarily on local funds and federal funding provided by the 2009

[6] Washington State Intercity Bus Service Study (WSDOT Public Transportation Division, 20__)
[7] Winter Wave Survey Summary—April/May 2010 (Washington State Transportation Commission)
[8] CTR Report to the Washington State Legislature (Washington State Commute Trip Reduction Board, January 2010) and e-mail of August 11, 2010 from WSDOT Public Transportation Division

American Recovery and Reinvestment Act (ARRA) as well as Congestion Mitigation and Air Quality and Energy block grants. Although WSDOT should be credited with forethought, leadership and innovation for the GTEC program, the future role of the state with GTECs is currently undefined.

2.4 Private Sector Involvement in Public Transportation

In addition to bus company operator involvement in inter-city service described in the previous sections, the private companies have several other avenues for participation in public transportation services in Washington. The following summarize major private sector efforts in public transportation programs.

2.4.1 Private Sector Operations for Travel Washington Bus Service

Private transportation operators provide public transportation bus service in Washington State. As discussed above, more recently, private contractors began serving as contractors for the state-supported Travel Washington bus services. This program includes use of private sector commitments involving existing services (non-subsidized) as a local match for federal funds to operate the services.

2.4.2 Private Public Transportation Bus Services

The organization of private operators, the Northwest Motorcoach Association, covers operators serving Washington, Oregon, and Idaho. Members (19 in total) include major operators such as Grey Line and smaller regional services like Starline and Wheatland Express based in Pullman.

2.4.3 Privately Contracted Services by Transit Systems

Several Washington transit systems use private or private non-profit contractors for some or all of their services. Table 2-6 identifies the type and associated value (annual operating costs for 2010) for private services used by transit systems. In total, about $102 million dollars were expended for private contracting services by transit systems. As the share of total annual costs, private contracting ranges from 1 percent for Ben Franklin Transit (subsidized taxis and service to Finley) to 100 percent by Grant County. Privately contracted services made up more than 10 percent of total operating costs for 5 of the 10 operators using contracted services.

The Grant Transit Authority and WSDOT Travel Washington intercity bus service are two examples of public transportation services being provided by private operators under contract to a private agency.

While most of the privately contracted services involve rural and small urban transit systems, there is substantial use by Community Transit for commuter routes. First Transit, a for-profit private company operating service between Snohomish County and downtown Seattle, is funded by Community Transit and Sound Transit. Since the 1980's, this service has been contracted out to private companies that provide bus operators and maintenance support.

2.4.4 Transit Service directly Provided By Private Employers

Although not "public", some Washington employers provide transportation directly to their employees. The type and magnitude of service that employers offer varies significantly -- from a single van that shuttles their employees between King Street Station and their worksite, to Microsoft's extensive network of employee transportation services.

Microsoft's "Connector" commuter routes and the "Shuttle" that connects their numerous worksites are by far the largest employer transportation services in the state. Microsoft began its connector service in September 2007 as an employee benefit with a goal of retaining employees, improving employee productivity, reducing parking requirements at their facilities and reducing the environmental impact of employee commuting. In order to increase the number of employees that use an alternative mode to driving to get to work and not just shift current bus riders from one bus to another, Microsoft worked with Metro and Sound Transit when designing these services. Microsoft's Connector service has grown from five to 19 routes that provide about 3,000 person trips daily. Microsoft contracts with MV Transportation, California, to provide the service.

Table 2-6. Private Contracting by Transit Systems[9]

Operator	Type of Contracting	Annual Amount (2010)	Contracting Costs as Percent of Total Operating Costs
Asotin Transit	Maintenance of Vehicles	Not identified in TDP	
Ben Franklin Transit	Subsidized Taxis and Service to Finley	$306,000	1 percent
Community Transit	Commuter Routes to Seattle and Paratransit	$28,500,000	25 percent
CUBS	Paratransit	$957,000	35 percent
Grant Transit Authority	All Services	$4,452,000	100 percent
Link Transit	Subsidized Taxi	Not identified in TDP	
Mason Transit	Some fixed-route service	$158,780	3 percent
Spokane Transit	Part of Paratransit (early AM, evening, supplement to STA-operated paratransit)	$6,750,000	11 percent
Yakima Transit	Paratransit	$1,494,161	18 percent
Metro	Paratransit	$59,600,000	9.4 percent
Total		$102,221,794	

Other public or private entities provide bus service to address specific travel needs. The University of Washington's (UW) Health Sciences Express (HSE) bus service connects the University and selected affiliated medical centers. Established in 1973, UW established the "Health Sciences Express." The service provides transportation for faculty, staff, students and medical center patients and their families conducting University, Health Sciences and University of Washington Medical Center (UWMC) business. The service was implemented to provide a competitive option to driving between facilities, reducing vehicle congestion on city streets, and reducing the requirement for parking at the University and affiliated destinations. The UW, UWMC and Harborview Medical Center fund the Health Sciences Express bus service.

Through a program know as Custom Bus, Metro provides service for major employers (e.g. Boeing), educational institutions such as private high schools, and medical centers. Although these services are open to the public, they are designed to serve a particular trip or travel need. The operating cost of the service is funded by the entity for which the service was designed, but Metro

[9] As identified in Transit Development Plans submitted to WSDOT

public transportation facilities such as park-and-rides and bus stops facilitate delivery of the service.

Private companies can actively participate in helping to promote vanpool programs through their own transportation management efforts. Also, unlike transit systems, drivers are volunteers and are part of the "pool."

Through the Victoria Clipper service, passenger only ferry service public transportation is provided between downtown Seattle and Friday Harbor in the San Juan Islands. This seasonal service (May through September) serves a market need that is not met by the State's Ferry System.

2.4.5 Unmet Needs Private Providers

Private provider services are by nature being implemented to meet unmet needs not being addressed by regular transit service or other programs. This can be either for labor to wholly provide or augment existing transit agency resources; to provide direct service for commuters; or to provide circulation service for specific areas.

3.0 Funding of Current Public Transportation Programs

This section presents information on major sources of funds for public transit services operating in Washington State. A variety of sources are available involving local option taxes, primarily the sales tax, fare revenues, state funds, and federal funds.

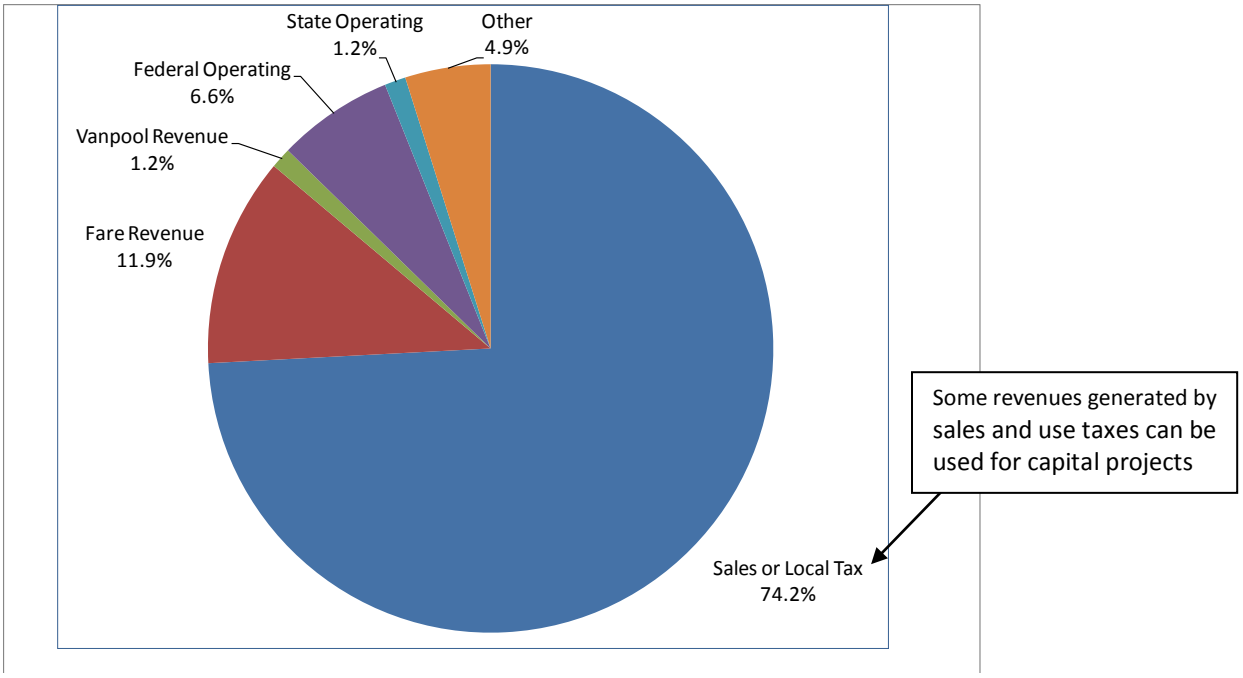
3.1 Operating and Capital Funds for Public Transit Systems

The combined revenues to support operations and capital costs approached $1.9 billion in 2008. Of this amount:

- Approximately $1.6 billion in operating revenues were available for public transit systems in 2008.
- Approximately $374 million of total revenues involved capital obligations. This amount includes approximately $150 million for Sound Transit, most of which involved Link LRT development in Central Puget Sound.
- For operating expenses, fixed-route service was the most significant expenditure at 77 percent followed by demand response at 16 percent. Other service such as LRT, commuter rail, passenger ferry service, route deviation service, and vanpool service made up the rest of operating costs

Figure 3-1 provides a breakdown of the operating revenues available to public transportation systems in 2008[10]. It shows that about 87 percent of the operating funds are generated locally through local sales or other local option taxes and fare revenue. As Figure 3-1 indicates, the state's contribution to transit operations in 2007 was approximately 1 percent of the total, or $19 million.

Figure 3-1. Operating Revenues in 2008 for Public Transit Systems[11]



[10] Data provided by WSDOT and WSTA in September 2010; to be included in the Summary of Public Transportation (WSDOT Public Transportation Division)

[11] Data provided by WSTA and WSDOT in September 2010; to be included in the Public Transportation Summary (WSDOT Public Transportation Division)

Figure 3-2. Capital Revenues in 2008 for Public Transit Systems[12]

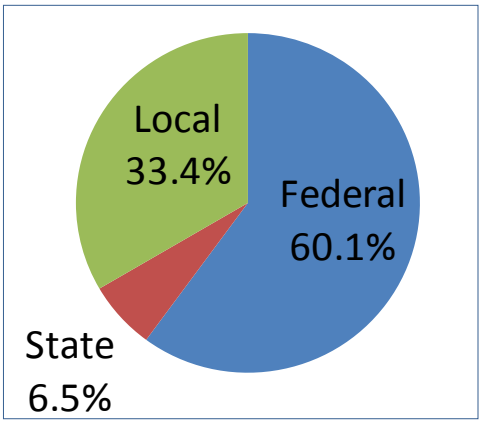


Figure 3-2 provides a breakdown of capital revenues available to public transportation systems in 2008 for capital projects[13]. Federal sources made up 60 percent or approximately $225 million of total revenues for capital. The major item within federal grants is FTA Section 5309 grants, which made up approximately two-thirds of total federal capital funding in the state for public transit systems. Most of the Section 5309 funds involved LRT construction in central Puget Sound. At 33 percent of the total or approximately $125 million, local sources provided by the public transit systems made up the second highest source of capital funds. Within the local capital source, drawdown on reserves to support capital programs made up almost two-thirds of the total. At approximately $24 million in funds, state sources made up approximately 6 percent of total capital revenues in 2008.

3.2 State Regional Mobility and Public Transportation Grants

Funds provided and distributed by the state under the Regional Mobility and Public Transportation Grant programs also provides a perspective on the extent of state funding support for public transportation. For the 2009-2011 biennium, a total of approximately $32 million in Regional Mobility grants was approved for 13 capital projects and operating programs in the state[14]. This funding represented 12 percent of the total funding necessary to support the projects and programs. Of the Regional Mobility grant funds allocated for operations, the state support comprised approximately 29 percent of the programs' total costs. For the grant funds allocated for capital programs, the state support comprised approximately 11 percent of total projects' costs. These dollars represent only a part of any project or programs total funding needs. Often it takes multiple years to develop the full funding necessary to complete a project. In addition, larger projects and programs often involve multi-year implementation and construction.

The Public Transportation Grants program also includes a mix of capital and operating elements that are supported by the state, federal FTA funds or, in some cases, both. For the 2009-2011 biennium, a total of about $36.7 million in grants was awarded. Of this, $13.7 million in state funds was awarded and $23 million in FTA funds was awarded. Of the state funds, a substantial majority, $13.2 million or 96 percent, was directed to providing operating assistance for 54 public transportation systems (primarily smaller and more rural public transit agencies) and non-profit organizations.

[12] Data provided by WSTA and WSDOT in September 2010; to be included in the Public Transportation Summary (WSDOT Public Transportation Division)
[13] Ibid, September 2010
[14] Regional Mobility Grant Program—2nd Quarter 2009 Report, WSDOT (October 2009)

3.3 State Contribution through the Fuel Tax Exemption

State contribution to public transit systems also occurs through the exemption on motor vehicle gas and special fuels. The state exempts fuel used by public transit systems from the 37.5 cents per gallon tax.

3.4 Local Option Sales and Use Tax

As noted above, the local option sales and other taxes provide the dominant source of funds for transit operations. Currently, each transit system is authorized to seek up to 0.9 percent in sales tax support. For each transit system, actual sales tax support ranges from 0.2 percent of one cent to 0.9 of one cent. Table 3-1 identifies the current breakdown of sales tax support for each transit system.

Table 3-1. Authorized Sales Tax Rates for Washington State Transit Systems

0.2 Percent	Asotin County Transit
	Grant Transit
	Twin Transit
	Union Gap Transit
0.3 Percent	Pacific Transit
	Cowlitz Transit Authority
	Yakima Transit
	City of Selah
0.4 Percent	Columbia County Public Transportation
	Link Transit
	Skagit Transit
0.5 Percent	C-TRAN
0.6 Percent	Ben Franklin Transit
	Clallam Transit System
	Everett Transit
	Grays Harbor Transit Authority
	Jefferson Transit Authority
	Mason County Transportation Authority
	Pierce Transit
	Spokane Transit Authority
	Valley Transit
	Whatcom Transportation Authority
0.7 Percent	None
0.8 Percent	Kitsap Transit
	Intercity Transit
0.9 Percent	Community Transit
	Island Transit
	King County Metro Transit
	Sound Transit

Of the 28 systems with sales tax support, 16 are at 0.6 percent or more. Four systems, Island Transit, Sound Transit, King County Metro, and Community Transit are at the maximum level of 0.9 percent and Kitsap Transit and Intercity Transit are at 0.8 percent. The approved sales tax increases since 2008 involved the following transit systems:

- Skagit Transit (increasing from 0.2 percent to 0.4 percent)
- Island Transit (from 0.6 percent to 0.9 percent)
- Community Urban Bus System (from 0.1 percent to 0.3 percent)
- Valley Transit (from 0.3 percent to 0.6 percent)
- Intercity Transit (from 0.6 percent to 0.8 percent)
- Sound Transit (from 0.4 percent to 0.9 percent)

In spring of 2010, a ballot measure to increase sales tax for the Whatcom Transportation Authority failed. However, in November 2, 2010 voters approved a ballot measure authorizing increased funding from the local sales and use tax for the Bellingham Transportation Benefit District. The increased funding, 0.2 percent, will be available for

street paving, non-motorized transportation projects, and transit service. At least two public transit systems, Pierce Transit and C-TRAN, intend to seek voter approval in 2011 of sales tax increases[15].

For the 16 transit systems that are at a sales tax rate of 0.6 percent or more, several such as Island Transit, Clallam Transit, and Skagit Transit are located in areas without a major sales tax base. A number of agencies faced with declining revenues and the need to scale back service are struggling with the challenge of requesting added sales tax support from their voters during a time of high unemployment and uncertainty related to the extent and severity of the recession.

3.5 Federal Funding Sources

A variety of revenue sources are available from the USDOT, including the Federal Transit Administration (FTA) and the Federal Railroad Administration (FRA[16]). Table 2-6 provides information on various formula and competitive grants provided to Washington State transit systems[17]. Several of the formula grants are administered by the State and are directed to transit service in rural areas.

Federal funds are typically authorized over a six-year period and the current authorization bill SAFETEA-LU has expired. Temporary extensions have been enacted, including the most recent extension through December 2010.

As indicated by Table 3-2, which shows federal funding at 2007 levels, transit operators in Washington State received $273 million in federal funds. Over one-half of that ($157.7 million) involved FTA Section 5309 “New Starts” and “Bus and Bus Facilities” funds which is discretionary funding appropriated directly through the annual congressional appropriations process. Setting those sources of funding aside, Section 5307 Formula funds are the most dominant source. Since they are formula driven, Section 5307 funding can be considered as a more reliable source of support than competitive grants or discretionary funds. However, the funds are only available to designated recipients in urbanized and small urbanized areas.

WSDOT receives an annual allocation of FTA 5310 funds for elderly and persons with disabilities. These funds are primarily used for capital grants to nonprofit agencies, for the purchase of lift-equipped vehicles. On the occasion that the award of capital grants may be satisfied and there remain some additional federal funds, WSDOT has used FTA 5310 funds for purchase of service contracts with nonprofit agencies. Annual allocations under 5310 have gradually increased from $1.5 million in 2001 to $2.5 million in 2010.

The publication date for information in Figure 3-2 precedes the availability of federal funds though the 2009 American Recovery and Reinvestment Act (ARRA). Some of these funds were provided to transit systems in Washington State. FTA funds from American ARRA must be used for capital projects only. These funds can be used for "the acquisition, construction, improvement, maintenance of facilities, and equipment for use in transit."

[15] Per WSTA staff comment on draft Task 1 Working Paper
[16] Further information on the state funding is provided in the White Paper for Task 2 of the Identifying the State Role in Public Transportation Study.
[17] Summary of Public Transportation - 2007: Statewide Operations Overview (WSDOT Public Transportation Division)

Table 3-2. 2007 Federal Transit Funding by Major Fund Categories

Source	Purpose	Affected Area	Funding
Section 5307	Capital and operating assistance allocated by formula	Seattle	$81,229,871
		Spokane	$6,434,323
		Kennewick-Richland	$2,459,462
		Yakima	$1,646,047
		Bremerton	$2,349,035
		Olympia-Lacey	$2,246,977
		Bellingham	$1,564,038
		Longview	$737,928
		Marysville	$1,208,535
		Mount Vernon	$790,127
		Wenatchee	$1,148,346
Subtotal			*$101,814,689*
Section 5309	Bus and Facilities	North Bend, Park and Ride	$160,512
		Mukilteo, Multimodal Terminal	$1,163,712
		Seattle, Multimodal Terminal Redevelopment and Expansion	$900,000
		Snohomish County, Community transit Bus Purchase and Facility Enhancement	$601,920
		Thurston County, Replace Thurston County Buses	$180,576
		Southworth Terminal Redevelopment	$1,150,000
		Seattle, Urban Partnership Agreement	$41,000,000
		Oak Harbor	$200,640
		Pacific Transit/Ilwaco, Shuttle Procurement	$20,064
		Pacific Transit/Ilwaco, Park and Ride Construction	$20,064
		Island Transit	$481,536
	Fixed Guideway	Seattle	$31,857,041
	New Start	Central Link (Sound Transit)	$80,000,000
Subtotal			*$157,736,065*
Section 5311	Formula grants for non-urbanized areas	Statewide Rural	$8,392,208
Subtotal			*$8,392,208*
Section 5316	Job Access Reverse Commute	Seattle	$1,013,784
		Spokane	$188,373
		State Apportioned Job Access	$1,285,935
Subtotal			*$2,488,092*
Section 5317	New Freedom	Seattle	$719,018
		Spokane	$102,142
		State Apportioned New Freedom	$786,371
Subtotal			*$1,607,531*
Section 5339	Alternative Analysis	Sound Transit I-90 Long-Range Plan Corridor Studies	$750,000
		Kitsap Count-Kitsap Transit	$326,560
Subtotal			*$1,076,560*
Grand Total			**$273,115,145**

A large majority of transit systems in Washington received ARRA funding for a variety of projects. ARRA-funded projects in urbanized area, including the Section 5307 and Fixed Guideway, were selected locally. The projects for the rural areas were selected by the state using a competitive process. In addition, the state received almost $590 million in ARRA funds to support the development of a high speed rail corridor. In December 2008 and January 2009, WSDOT developed a capital project list in anticipation of the Recovery Act. This list consisted of a variety of project types including:

- Purchasing replacement and expansion vehicles
- Purchasing new communication equipment
- Constructing facilities and transit centers
- Repairing buildings
- Installing bus shelters

3.6 WSDOT Directly Funded Programs

A variety of funding programs are provided directly by WSDOT or through a grants process administered by the state. Also, WSDOT staff support the CTR Board that was established to oversee and report on commute trip reduction efforts in the state. The Multimodal Transportation Fund was established during the 1990 legislative session to be used for general transportation purposes. More specifically, the grant accounts in this Fund are not subject to the 18th Amendment requirements restricting gas tax revenues to "highway purposes." As a result, money from this Fund can be used for programs such as transit, high capacity transit, aviation, passenger and freight rail, and new transportation technologies, as well as for highway purposes.

Using this Multimodal Transportation Fund as a source, WSDOT supports a variety of operating and capital items throughout the state. State grant programs include the following:

3.6.1 Regional Mobility Grants

The Regional Mobility Grant (RMG) program provides money to local governments to deliver transit mobility projects that are cost-effective, reduce travel delay for people and goods, improve connectivity between counties and regional population centers, and are consistent with local and regional transportation and land use plans.[18] Capital construction, equipment acquisition and operating projects are eligible. Projects are competitively evaluated and a ranked list is submitted to the Legislature for appropriation.

For the 2009-2011 Biennium, a total of $43.0 million in grants was awarded in the RMG program. A total of 16 grants were awarded and they included both capital and operations items.

Implementation for six projects will extend beyond the biennium, i.e., beyond June 2011. Additional funding for these projects, totaling approximately $15 million, will be included in the 2011-2013 biennium recommended project list.

[18] Transit Mobility Programs—2009 Annual Report to the Washington State Legislature (WSDOT Public Transportation Division, January 2009)

3.6.2 Public Transportation Grants

The Washington State Department of Transportation (WSDOT) distributes a variety of state and federal grants to support public transportation programs. The programs covered by the 2009-2011 consolidated application process include:

- Federal Transit Administration (FTA), Sections 5310, 5311, 5316, and 5317
- State Rural Mobility Competitive
- State Paratransit/Special Needs Competitive for non-profit agencies

WSDOT uses a consolidated application process for those organizations applying for both state and federal public transportation grants. Applicants describe their projects and provide pertinent information. Based on this information, the appropriate type of funding when awarding projects is determined. Timelines for all state and federal funding awards are in line with the state biennium, so applicants need to submit their grant proposals once every two years. While capital projects can be funded, applicants can also apply for funds to support the following types of operating items including:

- Operating assistance for paratransit/special needs transportation services
- Feeder bus service for the intercity network
- Mobility management
- Travel trainer

Operating assistance funding has been a key revenue source for specialized transportation services. However, the funding can only be committed for up to two years. Continued funding would have to rely on follow-up grant approvals. However, since the grants are competitive, there is no guarantee that future funding can be provided by the state.

For the 2009-2011 Biennium WSDOT received 143 applications that involved a total of $57.2 million in requested funds. After review by an independent review panel (Individuals representing organizations applying for funds do not serve on the review panel), 100 applicants were awarded funding for transit systems and as well as for human services transportation services. These totaled $36.6 million in Public Transportation Grants involving state multimodal funds and FTA funds. Of the $36.6 million in awarded grants, $22.9 million came from FTA funds and $13.7 million was provided through state Multimodal Transportation Funds.

In most cases, the project was funded through either state or federal funds; but in some cases, projects were supported by both programs. While some capital projects are funded through Public Transportation grants, a large portion of the funds provide operating assistance to transit systems as well as to private non-profit organizations that provide public transportation services. Since operating assistance involves grants support, there is no guarantee that funding will continue when the grant expires. While overall Public Transportation Grants represent a relatively small portion of total transit funding in Washington State, they represent critical support for programs operated by a variety of public and private service providers.

Capital grants were also provided to transit systems through ARRA funding that was available in the FTA 5311 program for 2009-2010. This provided $13.2 million for capital projects. WSDOT also played a role in assisting rural public transportation providers in securing discretionary funding from FTA 5309 for capital grants.

3.7 Support by Local Jurisdictions

Several transit systems operate as part of local governments, for example Everett Transit and Yakima Transit which preceded establishment of PTBA's. In some cases, the city and county transit systems are competing with other local priorities for funding. However, commitment to public transportation has also been provided by several local jurisdictions in the form of funding support. Although not a major element of transit funding, this support has included direct subsidy of service in order to determine potential feasibility of continuing the service. Examples have included commuter-focused service in Eastside of King County. Also, local jurisdictions have undertaken traffic improvements that have improved the speed and reliability of transit service along busy arterials.

County Ferry Districts may impose a property tax of up to 75 cents per $1,000 in assessed value (except in King County where the maximum rate is 7.5 cents per $1,000 in assessed value) to fund capital and operating costs. Voter approval is not required. In King County, property tax revenues are used to support passenger-only ferry service between downtown Seattle and West downtown Seattle and Vashon Island.

In 2009, the ferry district property tax rate in King County was reduced from 75 cents per $1,000 of assessed value to 7.5 cents. Also, King County was authorized to impose an additional rate of 7.5 cents per $1,000 of assessed value for public transit. The first one cent is dedicated to expanded transit capacity along SR 520, with the remainder of the money dedicated to transit expenditures.

3.8 Recent Transit Funding History and Effects on Meeting Transit Needs

To assess potential unmet transit needs in terms of potential funding support, trends that have occurred in the last 10 years should be taken into account, particularly the decrease in sales tax revenues that has affected most transit systems. The following summarizes major events and implications for transit

3.8.1 Initiative 695

This measure, which passed in 1999, and subsequent legislation in year 2000, eliminated motor vehicle excise tax (MVET) support for transportation including a major share of funding for public transportation. In 1997, $219 million in MVET was directly distributed to 24 transit agencies, and $7.6 million in grants funded by MVET to 7 transit agencies[19]. During the 1990s, the MVET was a stable and growing source of revenue available to transit systems.

The effect of MVET elimination was substantial since MVET amounted to approximately one-half of the local tax revenues supporting public transportation systems. In addition, unlike sales taxes, MVET also provided a relatively stable revenue source that was not as affected by economic trends as is the sales tax.

Initially, transit systems and the state (e.g. ferry services) reacted to the revenue loss by either reducing service or identifying potential major cuts in service unless added revenues were provided. In response to the MVET loss, the State Legislature approved increasing the local authorization ceiling for transit sales tax for PTBAs from 0.6 percent to 0.9 percent. Shortly after

[19] Transit Systems: Revenues and Expenditures—1997 to 2007 (WSDOT Public Transportation Division website)

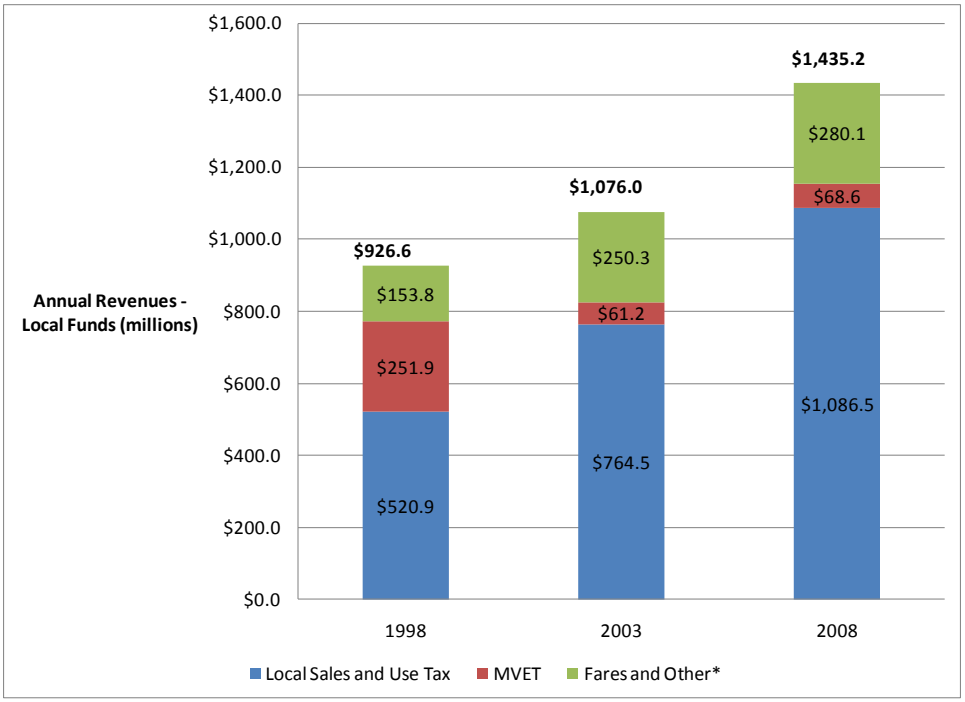
that approval, 14 transit systems replaced the loss in MVET revenues through voter-approved increases in sales taxes.

3.8.2 Declining Local Sales Tax Revenues

Figure 3-3 identifies the extent of public transit support from local sources, including sales and use taxes, MVET, and fares. In 1998, prior to I-695 going in effect, about 60 percent of these revenues ($520.9 million out of $926.6 million) involved sales tax[20]. By 2008, and after increases in sales tax levels for several transit systems, the sales tax share of total revenues grew to approximately 75 percent ($1.1 billion out $1.4 billion). Meanwhile, MVET support declined from 26 percent of the total in 1998 to 5 percent by 2008. While the growth in the sales tax share can be in part attributable to economic expansion in Washington, the majority of increase is likely due to higher local sales tax rates.

When the state economy was expanding and retail sales growing, the added sales tax support replaced the lost MVET revenue and even allowed some systems to expand, although at a moderate level. As indicated by Figure 3-4, transit ridership has grown since 2003. Particularly major increases occurred in 2008 as a result of high gas prices and a more robust state economy when compared to the early 2000's. However, with the recent downturn in the economy that has been underway since 2008 -- and the resulting significant decrease in sales tax revenues—another major revenue reduction has impacted transit programs. As noted above, total sales tax revenue for all public transportation systems declined an average of 12.7 percent from 2008 to 2009.

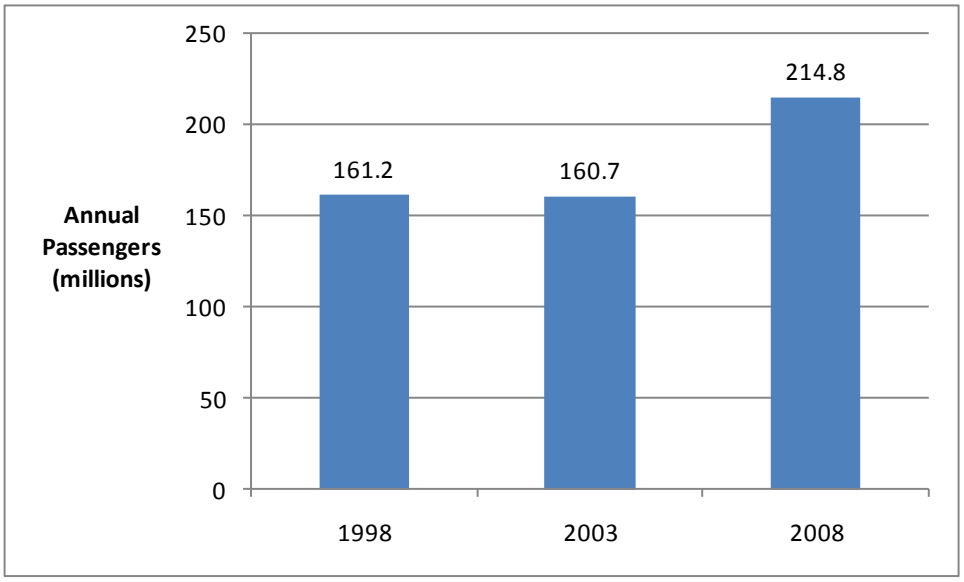
Figure 3-3. Local Funding Support for Public Transit Systems (in millions - 1998, 2003, 2008)[21]



*Other includes advertising, rentals/leases, principal, and interest payments.

[20] Ibid
[21] Funds do not include federal sources

Figure 3-4. Changes in Annual Ridership for Public Transit Systems – 1998, 2003, and 2008



3.8.3 Recent Sales Tax Measures

More recent sales tax initiatives have for the most part shown support for transit but several of these occurred prior to the recent downtown in the economy. In 2006 the City of Selah passed a public transportation tax and that was followed in 2007 by a passage of a transit tax in the City of Union Gap. In 2008 three additional measures were approved by voters: and an increase of 0.2 percent to support expanded service by Skagit Transit, a 0.3 percent increase by Valley Transit, and a 0.5 percent increase in central Puget Sound to support the ST2 Plan by Sound Transit. In 2010, Island Transit and Intercity Transit received voter approval to increase sales tax support from 0.6 percent to 0.9 percent and 0.6 percent to 0.8 percent, respectively.

Also, in 2010, a measure to increase local sales tax for Whatcom Transportation Authority failed. However, a subsequent measure on the November 3, 2010 ballot approved funding for the City of Bellingham's Transportation Benefit District. The added funds involving a 0.2 percent increase in sales taxes will include support street paving, non-motorized transportation projects and public transit services operating in the City of Bellingham.

At least two more public transit systems will be requested added sales tax support in 2011. These systems are Pierce Transit and C-TRAN.

3.8.4 Current Recession and Lost State Revenue for Public Transportation

State revenue for the Multimodal Transportation Fund has been reduced due to current fiscal constraints. As noted above, the multimodal programs have provided support for a variety of public transportation programs, involving transit systems, private/non-profit organizations, and private employer initiatives to reduce peak period auto trips.

3.8.5 Future Funding Uncertainty

As has been discussed throughout this white paper, the trends in public transportation funding indicate a high level of uncertainty that affects public transportation agencies' ability to plan for future services and facilities. Sales taxes, as the dominant source for both operating and capital costs, are declining for most transit systems with long term impacts. A major source for Public Transportation Grants, Multimodal Transportation funds, was reduced to as a result of declining state transportation revenues. Finally, federal funding for transit and specialized transportation programs is awaiting re-authorization by Congress.

4.0 Emerging Factors Affecting Transit Programs

The future for public transportation will be affected by population growth and demographic changes. Major policy initiatives such as greenhouse gas reduction and recent changes in CTR legislation in congested areas are focusing on the reduction of SOV travel. These changes are leading to increasing demands for alternative modes of transportation. These emerging factors could place greater pressure on public transportation providers, both public and private, to provide higher levels of service and provide some additional perspectives on future unmet needs.

The following sections summarize major trends highlighted in TDP's, regional transportation plans developed by Metropolitan Planning Organizations and Regional Transportation Planning Organizations, and state population and employment forecasts.

4.1 Population Growth and Demographics

The overall trend in Washington population and employment projections indicates that there will be an increase in demand for public transportation. Population is projected to grow by 26 percent, from about 6.6 million in 2010 to 8.3 million in 2030 while employment is projected to grow by 25 percent, from about 3.2 million in 2010 to 4.0 million in 2030. Public transit agencies serve areas where approximately 85 percent of Washington's population lives. Keeping pace with this growth in population would require, at the minimum, a similar growth in transit operations and capital facilities.

However, beyond this general projection, more focused identification of needs also has been identified by both transit systems and regional planning agencies. The growing and aging population will likely place even more pressure on expensive paratransit services, and more seniors will need public transportation with discounted fares. Specialized transportation at transit agencies consumes a disproportionately high portion of operating budgets relative to ridership and farebox recovery. In 2008, the cost per passenger of fixed-route service was $4.23 while the cost per passenger for demand-responsive service was much higher at $32.31[22]. In the same year, the combined farebox recovery for fixed-route bus systems was 20.0 percent as compared to 2.3 percent farebox recovery for demand-responsive services. Disproportionate growth in paratransit demand will pressure public transit resources now devoted to fixed route and other services. The high cost of service is due in part to ADA requirements.

As with the rest of the county, Washington State's demographic makeup will continue to see a shift toward an older population. While those over 65 years made up about 11 percent of the population in 2000, it is projected to be 18 percent in 2030. Interestingly, there are variations in the projected representation of age groups depending on the county. A review of demographic forecasts prepared by the Office of Financial Management indicates that rural counties will experience higher rates of elderly as compared to more urbanized counties. In 2000, for example, "age 65 or older" was not included among the dominant age group in any county[23]. But, for Year 2030, 65 or over will be the dominant age group for the following 12 counties - Clallam, San Juan, Jefferson, Island, Mason, Pacific, Wahkiakum, Columbia, Garfield, Ferry, Stevens, and Pend Oreille. Of note, these counties are all in rural areas; and five of them, San Juan, Wahkiakum, Ferry, Stevens, and Pend Oreille, do not have transit systems.

[22] As reported to WSDOT, Public Transportation Division (September 2010)
[23] Washington State Office of Financial Management/Year 2000 US Census Data

4.2 Continued Implementation of the Growth Management Act (GMA)

The Growth Management Act and related comprehensive plans can have potential implications on transit development. A major overriding implication is accommodating future growth in travel demand through less reliance on single-occupant vehicles. This can be achieved in a variety of ways (e.g., regional transportation plans that emphasize greater reliance on public transportation to meet projected growth in transportation demand. With projected constraints in the amount of state and local funds available for additional general-purpose road capacity expansion, added pressure for public transportation to assume higher shares of travel could emerge.

4.3 Reduction in Greenhouse Gases

As a result of an Executive Order 09-05 and subsequent legislation[24], efforts are underway to reduce greenhouse gases (GHG). A key part of these efforts is a reduction in per capita vehicle miles travelled (VMT). Under the Environmental and Health Quality goal of the Draft Washington State Transportation Plan, System Improvement Strategies include the reductions in per capital VMTs travelled as a strategy. A strategy in the Draft Washington Transportation Plan calls for requiring all local transportation plans to include a non-motorized element, GHG reduction strategy component, and a VMT strategy component.

4.4 Tolling of Highways

Tolling is already in place on the Tacoma Narrows Bridge connecting Kitsap and Pierce Counties and it will be implemented in spring of 2011 for SR 520 in the Central Puget Sound area. With the added costs for driving there is some shift from the automobile to public transportation operating in the affected corridor. How transit systems are able to respond to this shift will be affected by funding availability. Consideration of funding of these increases from toll revenues has been suggested. However, given that tolls are not projected to even cover the unfunded portions of major projects such as the SR 520 bridge replacement, Columbia River Crossing, and other projects, it is unclear whether toll revenues will be available to fund transit programs.

4.5 Increased Demand for Greater Connectivity between Modes and Systems

Demand of public transportation services do not stop at county lines. Several initiatives in Washington such as the inter-city bus routes serving Island, Snohomish, Whatcom, and Skagit Counties could serve as examples of further inter-county programs in the future. Public transportation systems and their partners already provide many of the connections listed below, but funding limitations and other factors hamper efforts. Potential new examples of these connections include:

- Improved ferry/transit coordination, including better connections during non-peak periods.
- Inter-system connectivity, particularly those involving quick and direct services along major corridors (e.g. BRT along SR 99 between Seattle and Snohomish County.
- Connections between fixed route and specialized service that could help improve mobility while at the same time encouraging more use of less expensive fixed route service by those with mobility needs.

[24] Chapter 70.235 RCW

- Timed (coordinated) transfers between systems in locations where routes serving different markets (e.g., express versus local) overlap.
- Expanded integration of regional fare systems (e.g. in the Puget Sound area people can use a single fare card—"ORCA" to ride on and transfer between six transit systems plus Washington State Ferries and ferries operated by Kitsap Transit and King County Metro).

As previously noted in Table 2-2, service connectivity was identified as an unmet need by a majority of Coordinated Human Services Transit Plans. As rural counties grow, particularly by the elderly population, the need for improved connectivity will also likely grow. This need would be particularly significant in those rural counties without transit services including lack of connections to counties with transit systems.

4.6 Initiatives by Local Public Transit Systems

The current recession and resulting reduced local revenues have presented challenges to public transit systems. Section 3.8 of this paper described this and other relatively recent funding impacts on state public transportation systems and some of the steps being taken to help address revenue shortfalls. In addition to fare increases, sales tax increases and service cuts, public transit systems are also examining other approaches in terms of containing costs through modifications to service delivery and containment of operating costs. One example is the Regional Transit Task Force formed by King County in March 2010. The Task Force considered a policy framework to guide future service investments or—if necessary—contraction of the King County Metro Transit system. A major area identified by the policy framework was greater emphasis on evaluating productivity when assessing potential service changes.

Other approaches that transit agencies have recently explored or implemented in order to address revenue shortfalls include identifying ways to limit growth in operating costs and/or ways to reduce costs. These include reducing less critical services, implementing administrative and operating cost reductions, scheduling efficiencies, and work rule changes. For example, King County Metro recently negotiated an agreement with its operators, mechanics, and other staff to defer pay increases in 2011. This follows continuing implementation of a 2009 Performance Audit to improve scheduling, staffing practices, vehicle maintenance practices, the paratransit program and planning. Similarly, for the last several years Link Transit, serving Chelan and Douglas Counties, has focused on holding overall costs at a rate of growth that is less than the growth of projected revenue, and adding service. Link Transit had been successful at this effort until the most economic downturn.

4.7 Uncertainty Related to Future Federal Transportation Policies, Programs and Funding Levels

Reauthorization by Congress of the federal multi-year surface transportation authorization bill (SAFETEA-LU) has been delayed. Congress has temporarily extended SAFETEA-LU pending action on new legislation keeping federal funding programs available to Washington State public transportation systems generally intact. There is uncertainty, however, related to the timing and nature of future legislation including the types of policies, programs and associated funding levels that will be authorized by Congress. This uncertainty is further heightened with the growing concerns about the size of the federal deficit and how that might affect transportation funding. Given this uncertainty, it is somewhat challenging to make long-terms plans or assumptions regarding the availability of federal funds and what federal priorities and/or criteria will be associated with federal funding.

5.0 Transit Reporting and Unmet Needs

In this section, unmet public transportation needs are identified using two major sources. One source is the Washington State Transportation Plan (draft) which identified potential unmet public transportation needs for a variety of operating and capital elements. The second source is a collection of findings resulting from review of TDPs, Regional Transportation Plans, funding information, emerging trends, and other sources. The review of the documents resulted in identification of major themes that were generated from the review.

5.1 Relationship between Transit Development Plans and State Policy Goals

The Washington Transportation Plan identifies the following policy goals:

- **Preservation**—To maintain, preserve, and extend the life and utility of prior investments in transportation systems and services
- **Safety**—To provide for and improve the safety and security of transportation customers and the transportation system
- **Mobility**—To improve the predictable movement of goods and people throughout Washington state
- **Environment**—To enhance Washington's quality of life through transportation investments that promote energy conservation, enhance healthy communities, and protect the environment
- **Stewardship**—To continuously improve the quality, effectiveness, and efficiency of the transportation system
- **Economic vitality—**To promote and develop transportation systems that stimulate, support, and enhance the movement of people and goods to ensure a prosperous economy[25]

Several TDP's were very specific on how these state programs/goals are being addressed both with current services/programs and/or through future developments. These include state funding programs such as the Vanpool Investment Program and Public Transportation Grants administered by WSDOT:

- Pierce Transit's TDP focuses extensively and specifically on how its Plan elements address state objectives. For example, the plan noted that Pierce Transit and Intercity Transit jointly operate *Olympia Express* bus service connecting Pierce and Thurston counties thereby achieving inter-county Mobility.
- Several systems, such as Intercity Transit, identified efforts at obtaining hybrid and bio-diesel powered buses that help achieve the Environmental goal.
- The Skagit TDP includes continued support for inter-county service (connecting Skagit, Whatcom, and Island Counties and regional transit service at Everett Station in Snohomish County) even though its service area is within Skagit County. This helped achieve the Mobility goal but it also supports Stewardship since it made use of existing investments such as transit centers in affected counties. These inter-county services are both supported by state grants. The Tri-County Connector has been funded in the Transportation budget, while the Everett Connector has been funded by Regional Mobility Grants.

[25] This goal was adopted by the Legislature during the 2010 Legislative Session

- Park-and-ride development along state highways such as those identified in the TDP for Island Transit. This supported the Stewardship goal by making use of existing state transportation facilities.
- Coordinated road/transit development (Kitsap Transit and SR 305 alternative analysis), and the Chelan/Douglas sidewalk prioritization program. These joint transit/roads programs help achieve Safety, Stewardship, and Preservation objectives.
- The C-TRAN TDP identified high capacity transit developments but also noted constraints relating to funding; the Plan did include scenarios relating to potential added sales tax support for transit. With potential transit enhancements along major state facilities this program would support Mobility and Stewardship objectives.
- Even with expected funding shortfalls for the vanpool program, several systems such as Asotin and Grays Harbor identify vanpool acquisitions as an element of the TDP. With expected reductions in commute vehicle trips, these programs would support the Mobility and Environmental objectives.

5.2 Unmet Public Transportation Needs—Washington State Transportation Plan (2007-2026)

The adopted Washington State Transportation Plan for 2007-2026 (WTP) identified several public transportation needs under several categories[26]. The basis for the needs determination included outreach efforts as well as conversations with transportation professionals, stakeholders, and the general public. An update to the WTP (Washington Transportation Plan 2010) is currently underway with a targeted completion date of December 2010. It will cover the 2011 to 2030 plan period.

The current WTP describes significant levels of unfunded priorities involving several categories relating to public transportation or support for public transportation such as HOV lane development. Most public transportation-related needs are addressed under two major categories—Preservation and Mobility. The following further identifies the unmet needs under the major categories.

5.2.1 Transit System Improvement

- Replace transit system bus fleets ($2B)
- Provide transit funding for new vehicles and facilities ($550M)
- Provide $860M to transit agencies in operating funds for special needs transportation (in order to allow current revenues to be used to maintain fixed-route bus service)
- Assist transit agencies to provide additional and new on-demand (Dial-a-Ride) service ($1B)

5.2.2 Specialized Transportation Services

- Increase funding to the Agency Council for Coordinated Transportation (ACCT) to support performance measurement and community coalitions of providers ($30M)
- Improve services for special needs populations in both rural and urban areas through demonstration projects ($20M)

[26] Washington Transportation Plan (prepared by WSDOT for the Washington State Transportation Commission, November 2007)

- Fund remaining needs for rural mobility grants to assist non-profit providers in areas of the state with limited transit service ($364M)
- Connect communities and rural areas to urban centers with bus service ($32M)

5.2.3 Major Facilities Development

- Complete the high occupancy vehicle (HOV) system in the Puget Sound region) to reduce travel delay and increase travel time reliability for transit and carpools ($550M)
- Implement a park-and-ride program in coordination with transit systems, including alleviating overcrowding at existing lots, providing safety and security, and accommodating growing demand ($200M)

5.2.4 Intercity Connections

- Expand the existing web-based public transportation information system to enable people to plan detailed itineraries between communities throughout Washington and other states ($8M)
- Expand Amtrak *Cascades* intercity passenger rail service ($470M)

5.2.5 Commute Trip Reduction

- Expand the commute trip reduction tax credit program, increasing the number of small employers in the program ($20M)
- Expand the trip reduction performance program (part of Commute Trip Reduction) to fund cost-effective projects, implement recommendations to improve the program, and provide technical support to grant recipients ($20M)
- Provide incentives and support for local jurisdictions to develop Growth and Transportation Efficiency Centers, as employers located in these areas tend to have higher levels of trip reduction ($32M)
- Provide additional funds for Commute Trip Reduction County Support to help counties experiencing highway congestion integrate regional and local plans to reduce solo-driving commute trips ($25M)
- Educate the public and use marketing to increase travelers' use of commute options for Commute Trip Reduction ($10M)

5.2.6 Vanpool Program

- Purchase more vans for the vanpool enhancement program ($45M)
- Develop and sustain a vanpool rideshare incentive program, using vanpool financial incentives and technical assistance ($12M)

5.3 Transit Development Plans

Several plans such as the Transit Development Plans (TDP's)/ Annual Reports and the related Summary Report on Public Transportation present comprehensive information on transit. However, since the Plans are supposed to be financially constrained, identifying unmet needs may not clearly be stated. Some transit systems make reference to their performance measures to help identify approaches to meeting future demand with constrained financial resources. However, performance measures are not called out in state guidance for the TDP's. Based on information provided transit operators in their TDP's, the state Public Transportation Summary does identify performance measures to evaluate and compare systems as required by state law.

The following are observations on TDP's and other reports that could be used to identify unmet transit needs:

- There are a variety of plans, reports, guidelines that could provide a forum for identifying and assessing public transportation needs. Several plans such as the Transit Development Plans (TDP's) and Annual Reports as well as the related Summary Report on Public Transportation present comprehensive information on transit. However, since the Plans are required to be financially constrained, identifying unmet needs may not clearly be addressed.
- Performance measures are not called out in state guidance for TDP's. However, the TDP's of some transit systems make reference to the performance measures they use to manage their systems.
- There is not a consistent methodology for developing the financially-constrained Transit Development Plans in Washington State. Therefore, it is difficult to roll-up the information from all the plans to develop a comprehensive statewide picture. Each transit agency may be using their own set of assumptions to forecast their revenues in the future.

Exhibit 1—Information Sources

The following are major information items used to assess potential unmet needs:

- *Washington State Transportation Plan (2007-2026* and *Draft of 2011-2030 Update)*: The Plan provides information on both facilities the state owns and state policies and identifies the unmet needs during the Plan period.
- *JTC Transportation Resource Manual*: Several sections of this manual provided information on major plans that affect public transportation planning and development.
- *Special Needs Transportation Coordination (Final Report, January 2009)*: This study examined special needs transportation in Washington, including methods to improve those services and the effectiveness of the Agency Council on Coordinated Transportation.
- *Transit Development Plans (TDP's) and longer-range transit plans where available (submitted in 2010 and 2009):* The TDP's, submitted annually to WSDOT, provide comprehensive information on projected programs and funding levels. While the plans are financially constrained, they do provide indicators of potential program shortfalls and funding estimates.
- *Summary of Public Transportation Report (WSDOT, 2007):* A summary report providing key information collected through transit agency TDP's. (2008 transit information was provided by WSDOT and WSTA in September 2010)
- *Transit Mobility Program—2008 Annual Report* (WSDOT): An annual summary report provided to the Legislature on Transit Mobility programs managed by WSDOT's Public Transportation Division.
- *Coordinated Public Transit-Human Services Plans (2006 and 2009 submittals):* Required by the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU); reports are for 2007-2010, except the 2010-2014 plan recently published by the Puget Sound Regional Council.
- *Regional Transportation Plans (MPO's and RTPO's)*: Financially constrained plans that cover public transportation related needs under current estimated funding levels.
- *Washington State Public Transportation Grants (2009-2011 Biennium):* The submitted grant applications were compared to those that were awarded funding. This provided an indication of unmet needs as reflected by those projects that were not selected.
- *Washington State Transportation Budget (2009-2011 Biennium).*
- *Summary Information prepared by WSTA in October 2009:* This information focuses on impacts of recession on transit system revenues and consequences related to service levels, capital programming, and other impacts. (Further information is forthcoming from WSTA and will be incorporated in the Final Report for the study.)
- *Survey of Washington State Ferry Riders—April/May 2010*

Exhibit 2—Gaps in Public Transit Service Connections by Region

Region	Affected Transit Systems	Gaps - Current Connections	Gaps - Future Connections
South Puget Sound	Intercity Transit / Twin Transit	No connections between Intercity Transit and Twin Transit in Lewis County	Express service demand will grow and is needed
	Intercity Transit / Pierce Transit	Service begins too late and ends too early for connections to SeaTac-bound service and for many trips destined for the central Puget Sound area	Demand in the corridor is expected to grow. I-5 along this corridor already congested
	Intercity Transit / Amtrak-Greyhound	Weekend service on Intercity Transit begins too late for some connections to Amtrak	Weekend service begins too late for some connections to Amtrak
	Mason Transit / Intercity Transit	Midday service is very limited and there is no Sunday service.	Additional growth will create demand for service
	Pierce Transit / Mason Transit	Connections are infrequent and only occur on weekdays	
Sound Transit and South Sound	Sound Transit / Intercity Transit	Sound Transit's Long Range Plan envisions a rail extension past Lakewood to DuPont and Thurston County (not currently funded)	
	Sound Transit / Pierce Transit	Several sections of the regional HOV system used by ST Express service (I-5 south of SR-16, SR-167 south of King County line) are currently incomplete.	
Olympic Peninsula	Clallam Transit / Jefferson Transit	Limited service is provided to Sequim by Jefferson Transit. Service is very limited. No Sunday service is provided.	Future funding for this service is uncertain.
	Jefferson Transit / Kitsap Transit	Service is very limited (4 roundtrips on weekdays), particularly on Saturdays (2 roundtrips). No connections between Kitsap Transit and Jefferson Transit during mid mornings and mid afternoon's weekdays. No Sunday service is provided.	Future funding for this service is uncertain.
	Jefferson Transit / Mason Transit	Service is very limited, particularly on Saturday. No Sunday service is provided	
	Kitsap Transit / Mason Transit	Last weekday trip leaves Bremerton at 6:35 p.m. Saturday service is limited and there is no Sunday service	Future funding to increase service is uncertain
	Kitsap Transit / Jefferson Transit	Alternate transportation modes should be planned for connections between Kitsap County and Jefferson County in the event of a prolonged closure of the Hood Canal Bridge (HCB).	

Region	Affected Transit Systems	Gaps - Current Connections	Gaps - Future Connections
North Puget Sound	Whatcom Transportation / Skagit Transit	Demand warrants two more weekday round trips for current inter-county bus route.	Seamless connections to points south, particularly Everett, throughout the day.
	Whatcom Transportation / Island Transit	Demand warrants two more weekday round trips.	Service connections to Whidbey Island and Camano Island is funded through State of Washington grant and may not be sustainable
	Whatcom Transportation / Greyhound-Amtrak	Effective September 19, 2010 there will be no Sunday service to Greyhound/Amtrak.	
	Island Transit / Skagit Transit	No Sunday service and limited Saturday service	Future of State of Washington funding for this service is uncertain.
	Everett Transit / Skagit Transit	No weekend service connections	Future funding to maintain or increase service is uncertain.
	Community Transit / Skagit Transit	No weekend service.	Future funding to maintain or increase service is uncertain.
	Skagit Transit / Ferry Service	Limited service between Skagit Station and connecting service to ferry terminal (four weekday trips, no weekend service.)	
	Community Transit / Everett Transit	No Community Transit service on Sundays or major holidays due to funding shortfall.	
	Community Transit / Amtrak-Greyhound	No Community Transit service on Sundays or major holidays due to funding shortfall	

Region	Affected Transit Systems	Gaps - Current Connections	Gaps - Future Connections
Sound Transit and North Puget Sound	Sound Transit / Skagit Transit	None identified	Extension of Link light rail or Bus Rapid Transit service on I-5 from Ash Way north to Everett (not funded)
	Sound Transit / Everett Transit	None identified	Extension of Link light rail or Bus Rapid Transit service on I-5 from Ash Way north to Everett and ST Express service to the Boeing Everett industrial center (not funded)
	Sound Transit / Island Transit	None identified	Extension of Link light rail or Bus Rapid Transit service on I-5 from Ash Way north to Everett (not funded)
	Sound Transit / Community Transit	None identified	Extension of Link light rail or Bus Rapid Transit service on I-5 from Ash Way north to Everett and on I-405 from the King County line to I-5. ST Express service to the Boeing Everett industrial center (not funded)

Region	Affected Transit Systems	Gaps - Current Connections	Gaps - Future Connections
Central Puget Sound	King County Metro / Pierce Transit	Lack of ticket vending machines at Federal Way Transit Center impedes convenient regional transfers. Limited frequency (30-60 min) on many connecting routes serving many connection points. No service between Enumclaw & Buckley	Future growth in cross county communities such as Federal Way - Northeast Tacoma and Auburn - Lakeland Hills could require higher levels of service on local routes. Without new revenue it is likely Pierce Transit County and King County will be reduced in order to provide service within Pierce County
	King County Metro / Community Transit	No CT service in Snohomish County on Sundays/holidays	Future funding shortfalls could lead to service reductions.
	King County Metro / Sound Transit	Lack of ticket vending machines at transit centers and major transfer points impedes easy regional transfers. No all-day service to Tukwila Sounder Station due to limited availability of private access road to Renton	Limited bus layover facilities at some ST light rail stations presents challenges for expanding bus service (e.g. to Tukwila Int'l Blvd Station) Future funding shortfalls could lead to service reductions
	King County Metro / Ferry Service	Some midday and evening connections between transit and ferries are difficult due to less frequent and irregular service	Waterfront/Alaskan Way Viaduct construction may prevent all bus access to Colman Dock for several years
	Pierce Transit / Sound Transit	None identified	Additional funding to support increase demand for transfer to Sounder rail system when it operates to S. Tacoma and Lakewood Stations. It will also support additional Sound Transit feeder service in Sumner and Bonney Lake.
	Community Transit / Sound Transit	No Community Transit service on Sundays or major holidays due to funding shortfall.	Until sales tax revenues increase, or new funding is provided, service on Sundays and Holidays will not be possible.

Region	Affected Transit Systems	Gaps - Current Connections	Gaps - Future Connections
	Community Transit / Ferry Service	No Community Transit service on Sundays or major holidays due to funding shortfall.	Until sales tax revenues increase, or new funding is provided, service on Sundays and Holidays will not be possible.
Sound Transit / Central Puget Sound	Sound Transit / Pierce Transit	HOV-2 operation of HOV lanes in this area causes delays to ST Express routes that operate on them. ST2 includes several new connections such as extended commuter rail to Lakewood	Several sections of the regional HOV system used by ST Express service (I-5 south of SR-16, SR-167 south of King County line) are currently incomplete.
	Sound Transit / King County Metro	Current gaps in regional connections being met with planned LRT connections.	Further HCT extensions in King County not funded
	Sound Transit / Community Transit	Link light rail is programmed to be extended from Northgate and the Snohomish County line to Ash Way.	Further extensions in Snohomish County not funded
Southwest Washington	CTRAN and Intercity/Mason/Gray s Harbor/Twin/Pierce Transits	CAP provides service to Longview, Woodland, Kalama, Castle Rock, Toledo, Centralia and Tumwater with connections to Intercity Transit in Tumwater BUT does not operate on weekends and has limited weekday service	
	CTRAN/ Amtrak-Greyhound	There is no service to the Vancouver Amtrak Station.	
	CTRAN / Skamania County	Skamania Transit does not provide service on weekends and has limited midday service.	
Eastern Washington	Spokane Transit / Citylink (Kootenai County, ID)	Service gap of about five miles between Liberty Lake, WA and Post Falls, ID. No connection provided between the two services.	
	Spokane Transit / Amtrak-Greyhound	STA service ends too early to connect to Amtrak service which arrives and departs after 1:00 AM	
Southeast Washington	Ben Franklin Transit, Pullman Transit, Valley Transit, Columbia County Public Transportation	Lack of connection between Pullman and South Central areas of state. Lack of expanded services to orchards and fruit processing locations (from this report) No express routes No bus routes to the major employer, the Hanford site No Sunday services	

Region	Affected Transit Systems	Gaps - Current Connections	Gaps - Future Connections
North Central Washington	Link Transit / Okanagan County Transit	Service by Okanagan County Transit is one day per week and requires a request in advance	Chelan and Wenatchee have the only medical facilities accepting Medicaid for critical care or prescriptions. No future funding for the service is available.
	Link Transit / Grant Transit	Connections are one round trip per day and only occur on Weekdays	Demand exists for more frequent service and service on Saturdays. Medical access and employment transportation are key demands.
	Link Transit / Amtrak-Northwest Trailways	None identified	Link Transit serving the Leavenworth Amtrak Station and making timely connections in Wenatchee
	Apple Line (Travel Washington bus route) / Okanagan County Transit	Service is limited	
	Apple Line / Grant Transit	Connections are infrequent and only occur on Weekdays	Continuation of current gap
	Grant Transit / Amtrak-Greyhound	Timing of connections in Ephrata (Amtrak) and Moses Lake (Greyhound)	
	Grant Transit / People for People	Very limited connections in Moses Lake and Warden with People for People route serving to Yakima County.	

Appendix C
Assess the Current State Role in Public Transportation

State Role in Public Transportation

Assess the Current State Role in Public Transportation

1.0 Purpose and Key Findings

During the 2010 legislative session, the Washington State Legislature commissioned a study designed to identify the state role in public transportation and to develop a Blueprint to guide future state investments in public transportation. This study was conducted over a six-month duration during which white papers were prepared on key topics to provide the basis for on-going discussions with, and feedback from, the JTC and the Public Transportation Advisory Panel assembled for this effort.

The white papers prepared for this study included:

- Unmet Public Transportation Capital and Operations Needs
- Assessing the Current State Role in Public Transportation
- Public Transportation Efficiency and Accountability Measures to Inform Future State Investment

A Final Report which incorporated all white paper findings and recommendations was prepared and submitted to the Joint Transportation Committee of the Washington State Legislature in January 2011.

1.1 Overview of Task 2 White Paper

This white paper presents information on and an assessment of the state's current role in public transportation. It includes a review of current state goals related to public transportation and provides an overview of current state policies, responsibilities and activities related to public transportation programs and funding. The goal of this paper is to outline the state's existing goals in public transportation and ensure a common understanding of its current role in meeting those goals and to suggest possible changes or new ideas that might be considered moving forward.

1.2 Summary of Task Purpose

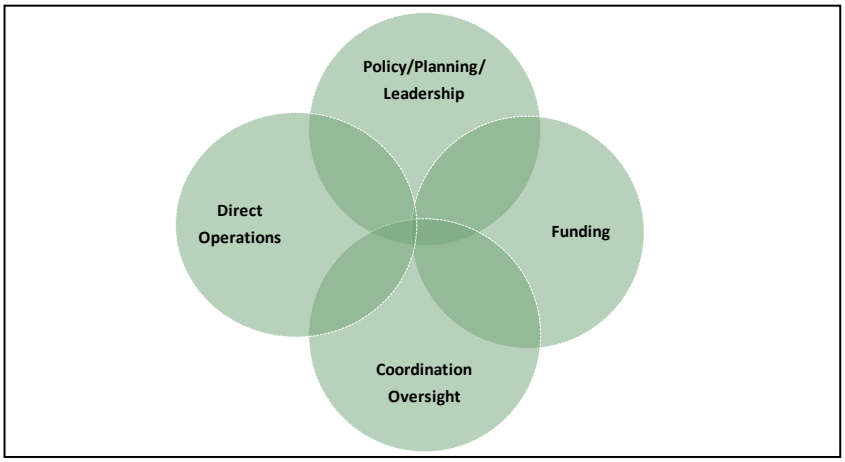
To provide direction for other study tasks, information in this white paper is intended to accomplish the following objectives:

- Summarize the state's current goals related to public transportation;
- Review the state's current activities and roles related to public transportation;
- Assess the state's activities in relations to state goals; and
- Identify key observations and questions related to the state's current role and possible future role.

1.3 Major Findings

States across the country are involved in public transportation in a variety of ways. Each has developed based upon the state's unique identity and needs of its citizens. However, regardless of their particular circumstances all actions and activities can be categorized under four general headings:

- Policy, Planning and Leadership
- Direct Operations
- Funding
- Coordination and Oversight



The review of Washington State practices indicates that the state serves many different roles related to public transportation. More importantly, the functions cover a broad spectrum of activities in each of the four areas of involvement. Examples of the things the state does today include:

Policy, Planning and Leadership The state serves an active role in setting policy and direction. The transportation policy goals enacted by the Washington State Legislature establish a broad framework for transportation within the state. The state sets a long-range vision through the Washington Transportation Plan (WTP) that identifies the goals and strategies for the development of the overall transportation network. The State Legislature and the Governor have also adopted several policy objectives related to growth management, traffic congestion, and greenhouse gas reductions that guide expectations on the management of the transportation system. The state is also a leader in developing VMT reduction programs that resulted from Commute Trip Reduction (CTR) legislation focusing on reducing single occupant vehicle work travel. Finally, the state has provided a range of different ways and funding mechanisms for public transportation providers to be established and financed.

Direct Operations The State is also a direct provider and operator of public transportation services through its ownership and management of high occupancy vehicle (HOV), state ferry, and park-and-ride systems. It also contracts for the operation of intercity bus and rail services.

Funding In addition to authorized sources of funding public transportation providers can use to fund services, the state has also established a state grant program and plays a role in administering several federal grant programs.

Coordination and Oversight The best example of the state's involvement in this area is the active federal and state grant coordination program for meeting health and human service public transportation and rural mobility needs. As part of its coordination role related to CTR, the state works with transit agencies to support and develop an extensive vanpool program.

In considering the state's future role, four key questions are raised for consideration:

1. Are existing state public transportation resources and funding focused on the right public transportation issues?
2. Do (or should) the current public transportation programs achieve Washington's six adopted transportation system policy goals?
3. How should public transportation unmet needs be identified and prioritized?
4. Are there state roles that should be eliminated, enhanced/ expanded or added to meet statewide goals or identified public transportation needs?

To answer these questions, this paper evaluates the current state role in four different ways:

1. The extent of the state's involvement in each of the four role categories
2. How the state's current role meets statutory transportation system policy goals
3. How existing state public transportation programs meet statewide goals
4. What unmet public transportation needs are related to statewide goals

From this analysis, there are several points that are raised for consideration.

From a **planning, policy and leadership perspective**, the state could consider expanding the scope of the Washington Transportation Plan to include a greater emphasis on public transportation as an integral element of the state's overall transportation network, including identifying specific goals and strategies. It seems apparent that public transportation will be a critical piece of the State's approach to meeting reduced greenhouse gases and vehicle miles of travel (VMT), as well as growth management act (GMA) goals.

From an **operations** perspective, the state ferry and HOV systems perform important public transportation and intermodal functions, particularly within the central Puget Sound and island areas, and will continue in the future to be an essential element of the public transportation network. In addition, with the recent receipt of federal high speed rail grant funding, it's likely that the state will expand its role in this area as well.

Beyond the funding that the state provides related to operating the systems described above, the state's direct public transportation **funding role** is limited – at approximately 2 percent of the total public transportation funding in the state. Some have advocated that the state should provide more direct funding for public transportation. The state has also been asked to consider authorizing new local funding options and additional resources in the future. To begin this discussion, the state's current role is identified and a question is asked – Are these appropriate state roles to meet current and future state objectives and needs? As part of this discussion, the state may want to explore options that recognize the different needs and circumstances of rural versus urban systems and health and human service and private providers and develop incentives/disincentives that further state policy objectives.

Finally, the State could reevaluate its role in **coordination and oversight**. It could develop programs/funding strategies that focus on improved public transportation linkages between communities and multimodal connections and expanded support of the integration between systems. In addition, it could evaluate and develop better linkages between state reporting requirements and meeting state goals as it considers the performance measures used to evaluate public transportation effectiveness across the state. Combined with additional funding and/or other incentives, performance measures can be used to prioritize investments and ensure improvements are meeting key state public transportation goals.

The intent of this analysis is not to be prescriptive but to provide a framework for evaluating and exploring the state's current and future role and to raise possible areas for consideration. It's clear that Washington State plays an active role in policy and planning and operations and a significant role in infrastructure development. However, the areas of funding and coordination and oversight could be further enhanced. It's also important that during this re-evaluation that each current and new role and program be evaluated against the backdrop of the statewide transportation system policy goals as established by the Washington State Legislature:

Economic Vitality – *To promote and develop transportation systems that stimulate, support, and enhance the movement of people and goods to ensure a prosperous economy*
Mobility – *To improve the predictable movement of goods and people throughout Washington State*
Preservation – *To maintain, preserve, and extend the life and utility of prior investments in transportation systems and services*
Safety – *To provide for and improve the safety and security of transportation customers and the transportation system*
Environment – *To enhance Washington's quality of life through transportation investments that promote energy conservation, enhance healthy communities, and protect the environment*
Stewardship – *To continuously improve the quality, effectiveness, and efficiency of the transportation system*

2.0 Information Sources

Several information sources were used to help assess the current role of Washington State in public transportation. These sources included:

Washington Transportation Plan (2007-2026 and Draft of 2011-2030 Update): The Plan provides information on state goals and policies for transportation of all modes.

Public Transportation Division website: http://www.wsdot.wa.gov/Transit/overview.htm. The website provides an overview of the state's Public Transportation Division current objectives and roles.

United States Code (U.S.C.): The Code contains current federal law as adopted by United States Congress.

Code of Federal Regulations (CFR): This document reflects implementing regulations as determined by the federal agencies, including the United States Department of Transportation (USDOT).

Revised Code of Washington (RCW): The Code contains current state law as adopted by the Washington State Legislature.

JTC Transportation Resource Manual: Several sections of this manual provided information on funding sources of public transportation.

3.0 Current State Role

States can play a number of different roles in providing for public transportation needs. These roles range from required functions such as being the recipient for federal pass through funding to active operational roles. We define the roles that states play in four different ways:

1. Policy, Planning and Leadership
2. Direct Operations
3. Funding
4. Coordination and Oversight

Figure 1 – Four State Roles

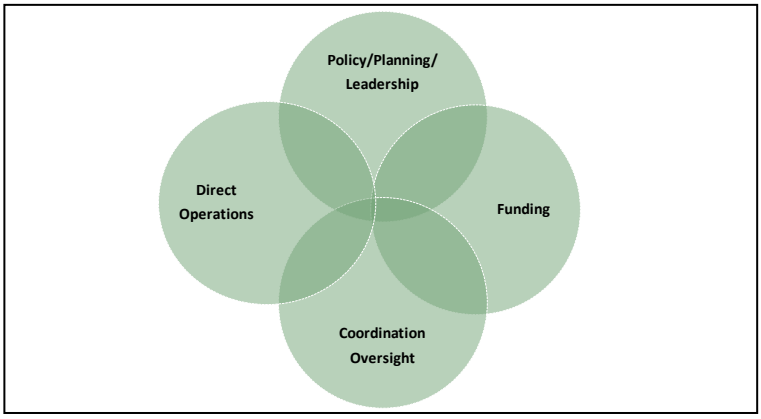


Figure 1 illustrates these various roles and shows that at times, various functions may overlap. Washington State's current role covers all four areas.

Table 1 below highlights some of the major functions currently played by the state. This paper will review the ways the state currently addresses public transportation and will identify some key areas for future discussion.

Table 1: Summary of Current State Roles in Public Transportation

Policy/Planning	Providing Services	Funding	Oversight/ Coordination

• Authorization of Transit Agencies
• WTP
• GMA
• CTR
• Greenhouse Gas Emissions
	• State Ferries
	• Intercity Bus and Rail
	• HOV System
	• Park-and-ride System
		• State Authorized Local Tax Options
		• Federal Funds
		• State Multimodal Account
		• Other Direct State Funding
		  ○ Ferries
		  ○ Intercity Bus and Rail
		  ○ HOV system
			• TDPs
			• ACCT
			• Gray Notebook
			• Annual Summary of Public Transportation

3.1 State Role in Policy, Planning and Leadership

Similar to other states, the Washington State Legislature, the Governor and the Transportation Commission play active roles in setting public policy that drives the direction and priorities for transportation in the state. From specific legislation, such as the Growth Management Act, to overall planning guidance through the Washington Transportation Plan, the state has established its key goals that are important to implementing, funding and managing the overall transportation system. Together,

these "pieces of the puzzle" provide an overall framework from which the current public transportation role is defined.

Because the majority of public transportation services use roadway infrastructure, the state has an impact on the design of these facilities and in part an impact on the effectiveness of the use of the these facilities by providers. This can range from adequate breakdown space to the allocation of right-of-way for stops. State roadway decisions impact the provision of public transit services as well. It can impact operations including adequate space for safe merging and the ability to use of signage and advertising in shelters.

In areas of the state without public transportation service, the state has provided two major areas of support. The first area involves state support for jurisdictions that are exploring new or expanded public transportation services. In addition, the state manages the federal and state grant programs that often provide opportunities to fund various kinds of public transportation services in areas that may not currently be served by public transit agencies.

Table 2 below summarizes the various roles the state plays today in policy, planning and leadership.

Table 2 - State Activities Relating to Policy, Planning and Leadership

Major State Role	Key Elements under Each Role	Summary of Major Features
Authorizing Legislation for Public Transit	Public Transportation Benefit Areas (PTBAs)	PTBAs comprise the majority of public transit entities in the state. The governing authority "consists of elected officials selected by and serving at the pleasure of the governing bodies of component cities within the area and the county legislative authority of each county within the area."[1]
	County Systems	Counties (except those where a metropolitan municipal corporation performs the public transportation function) are authorized to create county transportation authority. These agencies must cover the entire county, including all cities and towns. Alternatively, a county is authorized to provide public transit itself in unincorporated areas (except in areas where a PTBA provides that function).
	Metropolitan Municipal Corporations	Formed under state law to provide one or more public functions in metropolitan areas, including public transit.
	Regional Transit Authority (RTA)	Two or more adjacent and highly-populated counties are allowed to form an RTA.[2] Sound Transit, the RTA serving the urban portions of Snohomish, King, and Pierce counties, was formed in 1993.
	Transportation Benefit Districts	TBD's finance improvements to transportation infrastructure and equipment, such as state highways, principal arterials,

[1] RCW 36.57A.050
[2] RCW 81.112.030

Major State Role	Key Elements under Each Role	Summary of Major Features
	(TBDs)	high capacity transportation, and public transit systems, and transportation demand management programs.
State Programs relating to Public Transportation	Growth Management Act (GMA)	GMA[3] identified several goals to guide development and adoption of comprehensive plans and development regulations. These goals include encouraging efficient multimodal transportation systems based on regional priorities and coordination with county and city comprehensive plans.
	Commute Trip Reduction (CTR)	While a state-mandated program, CTR involves joint efforts involving the private sector, local jurisdictions and state agencies to help maximize the efficiency of the transportation system.
	Greenhouse Gas Reductions (GHG)	The legislation calls for WSDOT to work with the Washington Climate Advisory Team (CAT) and develop recommendations to achieve statewide goals relating to vehicles miles travelled reductions.
State Planning	Washington State Transportation Plan (WTP)	The WTP provides policy direction and prioritization of transportation investments. The current WTP covers the 2007 to 2026 timeframe. An update is underway to be completed by December 2010.
	High Speed and Intercity Passenger Rail (HSIPR)	The high speed ground transportation program was created with the recognition that forecasted population and employment growth along corridors would result in considerable increased demand. WSDOT develops a rail passenger plan that is coordinated with local jurisdictions and neighboring state and national governments.
	High Capacity Transportation (HCT)	RTA's and certain populous counties are authorized to develop HCT system and financing plans. State statutes identify planning and public involvement responsibilities for HCT development, along with voter approval and financing requirements.

3.1.1 Authorizing Public Transit Legislation

State statutes authorize the formation of agencies to develop and provide public transit services. These agencies include public transportation benefit areas, county transportation authorities, metropolitan municipal corporations, and regional transit authorities. This section briefly describes the legislation authorizing each of these types of public transit providers. Table 3 identifies the agencies that have been created under these authorizations.

Each public transit entity, when formed, has a set of taxing mechanisms available for supporting identified projects and services. The state does not provide oversight or advice on the types of services

[3] RCW 36.70A.070

to be provided or the facilities to be developed that are supported by local tax sources. While public transit systems prepare Transit Development Plans (TDPs) and Annual Reports each year, funding of programs through local tax support is not affected by contents of the TDPs and annual reports.

Table 3 – Public Transit Systems by Type of Authority

Type of Transit Authority	Transit Systems
Public Transportation Benefit Area (PTBA)	Asotin County
	Ben Franklin Transit
	Clallam Transit System
	C-TRAN (Clark County)
	Community Transit (Snohomish County)
	Cowlitz Transit Authority
	Grant Transit
	Intercity Transit (Thurston County)
	Island Transit
	Jefferson Transit
	Kitsap Transit
	Link Transit (Chelan and Douglas Counties)
	Mason County Transportation Authority
	Pacific Transit
	Pierce Transit
	Skagit Transit
	Spokane Transit Authority
	Twin Transit (Lewis County)
	Valley Transit (Walla Walla)
	Whatcom Transportation Authority
Unincorporated PTBA	Garfield County Public Transportation
	Whitman County Public Transportation
City	Everett Transit
	Pullman Transit
	Selah Transit
	Union Gap Transit
	Yakima Transit
County	King County Metro Transit
County Transportation Authority	Columbia County Public Transportation
	Grays Harbor Transportation Authority
Regional Transit Authority	Sound Transit

3.1.2 State Programs Relating to Public Transportation

Three specific state statutes have been enacted that establish policy goals and direction that either affect – or are affected by – public transportation. More specifically, in each of the cases below, public transportation can be considered integral to the successful achievement of the policy goals established in these statutes.

In addition, the state establishes policies related to the management of the high occupancy vehicle (HOV) facilities that it directly constructs and operates. These HOV lanes are located in the central Puget Sound region.

Growth Management Act (GMA)

GMA guidance does not mandate specific targets regarding transportation such as the extent of reductions in single-occupant vehicles (SOV) trips. However, GMA does require preparation of Regional Transportation Plans by regional transportation planning organizations (RTPOs). These plans can provide opportunities to identify transportation strategies, including public transit ones, to address and support future growth strategies in particular regions.

The Growth Management Act (GMA)[4] includes goals to guide development and adoption of comprehensive plans and development regulations. These apply to those counties and cities in Washington State that are required to, or choose to, plan under the Act. GMA goals included the following broad guidance for preparing comprehensive plans and development regulations:

- Urban growth: Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.
- Reduce sprawl: Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.
- Transportation: Encourage efficient multimodal transportation systems that are based on regional priorities and coordinated with county and city comprehensive plans.

As noted above, GMA guidance does not mandate any targets regarding transportation such as the extent of reduced single-occupant vehicles trips. However, GMA requires Regional Transportation Plans to be prepared by regional transportation planning organizations (RTPO's). These plans can provide opportunities to identify transportation strategies, including public transportation strategies, to address future growth in particular regions. The plans can also meet federal mandates for regional transportation planning conducted by designated Metropolitan Transportation Organizations in larger urban area. GMA requires that Regional Transportation Plans be updated every four years.

GMA legislation requires RTPO's to work with local jurisdictions to identify guidelines and principles for transportation planning. These guidelines and principles provide direction to local jurisdictions in developing their local transportation plans. The guidelines and principles also enable any RTPO to determine whether the transportation elements in local plans are consistent with the regional transportation plan. This approach for regional transportation planning provides opportunities for including items relating to public transportation development at both local and regional levels.

Because GMA's emphasis is on reducing sprawl and managing growth more efficiently, public transportation is typically considered an integral element for implementing regional/ local growth management strategies. For example, the Puget Sound Region's Vision 2040 Plan states: "The region's aggressive, long-range growth management and transportation goals depend on more efficient and effective public transportation services."

At the local level, the local comprehensive plan is the blueprint for local land use decisions, which can have a significant impact on the use and efficiency of public transportation services.

[4] RCW 36.70A.070

The local comprehensive plan is required to be consistent with six-year transit development plans, but local governments have flexibility under GMA, so each jurisdiction may address the connection between transit and land use in different ways.

Commute Trip Reduction Act (CTR)

CTR calls for management and monitoring programs affecting state highways. There is also direct state involvement in the funding of current CTR programs and WSDOT staff resources for the CTR Board.

The Washington State Legislature passed the Commute Trip Reduction (CTR) Law in 1991, incorporating it into the Washington Clean Air Act. The goals of the program are to reduce traffic congestion, air pollution, and petroleum consumption through employer-based programs that decrease the number of commute trips made by people driving alone. [5]

While it is a state-mandated program, CTR involves joint efforts involving the private sector, local jurisdictions and state agencies to help maximize the efficiency of the transportation system. A CTR Board made up of business, government, and citizen representatives appointed by the Governor regularly evaluates the program's performance, recommends ways to improve it, and reports to the Legislature every two years. The last report was submitted in January 2010.

The CTR Efficiency Act of 2006 updated the initial statute and, while it continues to emphasize a major role for employers, it expanded the responsibility for program success to local governments. The purpose was for jurisdictions to implement transportation-efficient land uses and supportive policies, investments, and partnerships that provide conditions leading to CTR success. This shift in emphasis to local governments is designed to help CTR align and integrate more closely with the Growth Management Act. The CTR planning process helps local governments and employers identify the services and strategies, including transit and ridesharing that will be needed to meet local goals for reducing drive-alone trips and VMT. This provides a feedback loop to the goals and investments identified in the local comprehensive plan under GMA.

The CTR program's focus is on work trips during the morning peak travel period that involve large employment sites and dense employment centers with congested areas. The program directs major employers in the urban growth areas of the state with the greatest levels of traffic congestion to implement programs to reduce the proportion of employees who drive alone to work.

Another element of CTR is the Growth and Transportation Efficiency Center (GTEC) program. The goal of the GTEC program is to provide greater access to employment and residential centers while decreasing the proportion of commuters driving alone during peak periods on the state highway system. GTEC provides a framework for jurisdictions to make connections between land-use and transportation leading to more efficient transportation systems over time. GTEC's bring transit agencies, businesses, and governments together in partnerships to implement strategies to meet mutually supportive goals. The important planning linkage is between goals for growth (such as adding jobs and residents) and tying that back to what the transportation system needs to be in order to effectively and efficiently accommodate that growth.

[5] Chapter 70.94 RCW

CTR strategies typically create incentives for people to take public transit (e.g., through employer subsidized transit passes) and disincentives to driving alone (e.g., through reduced parking and/or higher cost parking). The effect of these strategies is increased demand for public transportation. As with GMA, public transportation is a key element in successful implementation of CTR.

Greenhouse Gas Emissions Reduction (GHG)

The Legislature passed greenhouse gas (GHG) emissions reduction legislation in 2008. This statute established specific targets for reductions in VMT with a long-range goal of a 50% reduction in per capita VMT by 2050.

The greenhouse gas (GHG) emissions reduction legislation[6] identified the following major elements:

- Directs the Department of Ecology (DOE) to develop a program to limit statewide greenhouse gas emissions and submit it to the legislature for approval (See RCW 70.235.020(1).
- Authorizes DOE to adopt rules requiring a reporting system to monitor greenhouse gas emissions.
- Authorizes DOE to develop a design for a regional multi-sector and market-based system to limit and reduce GHG emissions.
- Creates a green collar job training account to train and transition workers to clean energy jobs.
- Directs WSDOT to provide recommendations to reduce annual per capita VMT.

The legislation calls for WSDOT to work with the Washington Climate Advisory Team (CAT) and develop recommendations to achieve the following statewide goals relating to VMT reductions[7]:

- Decrease the annual per capita vehicle miles traveled by 18 percent by 2020.
- Decrease the annual per capita vehicle miles traveled by 30 percent by 2035.
- Decrease the annual per capita vehicle miles traveled by 50 percent by 2050.

The recommendations relating to VMT reductions also include a set of tools and best practices to assist state, regional, and local entities in making progress toward achieving these goals. Recommendations will identify current strategies to reduce VMT's in Washington, as well as successful strategies used in other jurisdictions. The recommendations will identify potential new revenue options for local and regional governments to finance VMT reduction efforts.

The legislation specifies that the CAT process include participation from regional transportation planning organizations, the Washington State Transit Association, the Puget Sound Clean Air Agency, and at least one major private employer that participate in the state's CTR program.

A number of strategies will be required in order to achieve the goals established by the state to reduce GHG and VMT. Shifting more travel from single occupant vehicles (SOVs) to other forms of travel – including public transportation – will be essential and will increase demand for public transportation.

[6] Chapter 70.235 RCW
[7] RCW 47.01.440

3.1.3 State Planning

The state takes an active role in planning not only for its programs but also for public transit systems. The Washington Transportation Plan (WTP) includes goals specifically related to public transportation. The TDPs prepared by transit operators include information on how these goals are being addressed in the plans. Thus, state-related policies are being addressed in more localized public transit plans.

Although the legislature provided authorization for transit organizations, the state has been involved in implementation of actual public transportation programs. The state, through the Public Transportation Division of WSDOT, has played and continues to play a key and active role in supporting the efforts of all public transportation providers. WSDOT personnel have worked with local jurisdictions and stakeholders in identifying potential approaches to public transportation development. Some of this involvement includes working with MPO's and RTPO's on identification of public transportation investments as part of regional plans as well as demonstration programs that have led to implementation of transit services in areas previously not served by transit. The Division also coordinates a construction management program, which is a growing effort, particularly critical in the Puget Sound area, as the state collaborates with transit agencies to alleviate the impacts of road construction projects.

Washington Transportation Plan

The state develops a long-range plan that outlines policy direction and prioritization of transportation investments for the state. The current plan (2007-2026) reflects the six transportation goals adopted by the Washington State Legislature, which guide overall transportation activities and funding.

The state is currently in the process of preparing a 2011-2030 update to the WTP. A draft plan was issued for public comment and review in July with a final plan to be adopted in December.

Development of High Capacity Transportation (HCT)

Beginning in 1990, Washington State began adopting legislation pertinent to the development of high capacity transportation systems in the state's major urban areas. As allowed by state law,[8] RTA's and certain populous counties are authorized to develop high capacity transportation system plans and financing plans. State statutes identify planning and public involvement responsibilities for high capacity transportation development, along with voter approval and financing requirements.

The state's role in high capacity transportation development is explicitly defined in statute as:

1. The state's planning role in high capacity transportation development as one element of a multimodal transportation system should facilitate cooperative state and local planning efforts.
2. The department of transportation may serve as a contractor for high capacity transportation system and project design, administer construction, and assist agencies authorized to provide service in the acquisition, preservation, and joint use of rights-of-way.
3. The department and local jurisdictions shall continue to cooperate with respect to the development of high occupancy vehicle lanes and related facilities, associated roadways, transfer stations, people mover systems developed either by the public or private sector, and other related projects.

[8] Chapter 81.104 RCW, also known as the High Capacity Transportation Systems Act

4. The department in cooperation with local jurisdictions shall develop policies which enhance the development of high speed interregional systems by both the private and the public sector. These policies may address joint use of rights-of-way, identification and preservation of transportation corridors, and joint development of stations and other facilities.[9]

Intercity and High Speed Rail Program

The Legislature created the high speed ground transportation program in 1993 under Chapter 47.79 RCW with the recognition that forecasted growth in population and employment along transportation corridors would result in considerable increased demand on already congested corridors. WSDOT is required to develop a rail passenger plan and coordinate with local jurisdictions and neighboring state and national governments.

The goals of the high speed rail program are to implement high speed ground transportation with speeds in excess of 150 miles per hour between Everett and Portland, Oregon by 2020; Everett and Vancouver, B.C. by 2025; and Seattle and Spokane by 2030. These goals are to be met by improving depots, eliminating or improving grade crossings, enhancing train signals, revising track geometry, and improving service frequency. WSDOT is also required to develop a rail passenger plan and coordinate with local jurisdictions and neighboring state and national governments.

Several transit systems in Washington received ARRA funding for a variety of projects. ARRA-funded projects in urbanized area, including the Section 5307 and Fixed Guideway, were selected locally. The projects for the rural areas were selected by the state using a competitive process. In addition, the state received $590 million in ARRA funds to support the development of a high speed rail corridor. In December 2008 and January 2009, WSDOT developed a capital project list in anticipation of the Recovery Act. This list consisted of a variety of project types including:

- Purchasing replacement and expansion vehicles
- Purchasing new communication equipment
- Constructing facilities and transit centers
- Repairing buildings
- Installing bus shelters

3.2 State Provided Transportation Services

Washington State contracts with other entities to provide intercity bus and rail services and directly owns, operates and maintains the Washington State Ferry system that provides essential “roadway” connectivity across the Puget Sound. In addition, the state also owns and operates the state HOV system and has built several state-owned park and ride facilities (operations and maintenance is transferred to local transit providers using the lots). Table 4 summarizes the direct operational role the state currently plays.

[9] RCW 81.104.060

Table 4 - State Roles Relating to Public Transportation Operations

State Provided Transportation Services	State Ferry System	The legislature recognizes the state ferry system as a public mass transportation system under RCW 47.60.017. The system was established in 1951 and is the largest ferry system in the United States.
	Intercity Bus Program	The *Travel Washington* Intercity Bus Program is contracted by WSDOT to private operators to provide service between communities and timed connections to other intercity carriers. The four routes currently in operation include: • The Grape Line between Walla Walla and Pasco, • The Dungeness Line between the Olympic Peninsula and Seattle as well as to SeaTac International Airport, and • The Apple Line between Omak and Ellensburg via Wenatchee • The Gold line (September 2010) between Kettle Falls and Spokane in north-eastern Washington
	Intercity Passenger Rail	Intercity service in Washington State is legislated under Chapter 47.82 RCW. Amtrak Cascades service provides intercity connections between 18 cities from Vancouver, B.C. to Eugene, Oregon. Four roundtrips per day Seattle to Portland and two round trips per day Seattle to Vancouver, BC.
	High Occupancy Vehicle(HOV) System	Development of the HOV system is directed by Chapter 81.100 RCW to meet the need for mobility, growing travel demand, and increasing traffic congestion in urban areas.
	State Park-and-Ride Facilities	Under RCW 47.12.270, WSDOT is authorized to acquire property as well as construct, and maintain park-and-ride lots.

HOV Lane Policies and Investments

The state has both the authority to create as well as manage overall HOV system operations. There are two state statutes that give WSDOT the right to designate any lane or ramp for HOVs if it will increase the efficient utilization of the highway or will aid in the conservation of energy resources.[10] Currently HOV lanes are located on most of the major freeways in King County and southwest Snohomish County and are being expanded into Pierce County. WSDOT has established policies regarding the HOV system. The goals of the system are:

- To maximize the people-carrying capacity of the freeway system by providing incentives to use buses, vanpools, and carpools.
- To provide capacity for future travel growth.
- To help reduce transportation-related pollution and dependency on fossil fuels.

[10] RCW 46.61.165 and RCW 47.52.025

Through HOV programs and policies the state seeks to make the best use of existing facilities by increasing freeway efficiency and promoting programs to move more people in fewer vehicles. Public transit systems operating in the three-county Puget Sound area use the HOV lanes as a way to improve speed and reliability of service and to improve operating efficiency for a number of their bus routes.

The state established performance standards to ensure that the system helps provide reliable travel time and dependability for transit users, vanpoolers, and carpoolers. The current performance standard states that a driver in an HOV lane should be able to maintain an average speed of 45 mph or greater at least 90% of the time during the morning and afternoon rush hour.

In order to maximize the use of the HOV network WSDOT is currently conducting a pilot project along the SR 167 corridor where single occupant vehicles are allowed to use the HOV lane for a fee that varies with congestion levels. High Occupancy Tolling (HOT) is being developed across the nation as a way to generate revenue and use pricing as a scheme to manage the capacity of some roadway segments in congested areas.

In addition to exploring new applications of HOV/HOT lane options, the state continues to invest in completing HOV investments in the Puget Sound region. The following projects and costs are specifically identified in the 2010 transportation budget.

- **I-5/Pierce Co Line to Tukwila Interchange - Add HOV Lanes:** $137,383,000, of which $72,509,000 was MVA and Nickel funding (the rest of the funding for all of these projects was Federal)
- **I-5/164th St SW to SR 526 - HOV and Interchange Modifications**: $38,838,000, of which $20,563,000 was MVA
- **I-5/SR 526 to Marine View Drive - Add HOV Lanes:** $220,696,000, of which $217,387,000 was MVA and Nickel
- **I-90/Two Way Transit - Transit and HOV Improvements – Stages 1, 2 & 3**: $43,701,000, of which $27,962,000 was MVA, Nickel and TPA
- **SR 99/S 284th to S 272nd St - Add HOV Lanes:** $14,559,000, of which $14,359,000 was Nickel and MVA
- **SR 99/Aurora Ave N Corridor - Add HOV Lanes:** $20,026,000, all of which was Nickel and TPA
- **SR 167/15th St SW to 15th St NW - Add HOV Lanes:** $44,088,000, which was all Nickel
- **SR 900/SE 78th St Vic to I-90 Vic - Widening and HOV:** $33,643,000, of which $32,340,000 was Nickel and MVA
- **I-5/Tacoma HOV Improvements (Nickel/TPA):** $1,476,920,000, of which $1,412,860,000 was TPA, Nickel and MVA
- **SR 16/I-5 to Tacoma Narrows Bridge - Add HOV Lanes:** $134,060,000, of which $131,300,000 was Nickel and MVA
- **SR 16/36th St to Olympic Dr NW - Add HOV Lanes:** $7,518,000, all of which was Nickel and MVA

3.3 Funding

One of the primary roles the state serves is as the pass-through entity for many federal funding programs. Not all funds go directly to the state but this role is an essential function of the WSDOT Public Transportation Division. This section will describe in general the federal, state and local funding authorizations that are managed or authorized within the state related to public transportation.

3.3.1 Federal Authorization

Current federal funding for public transportation flow from the federal surface transportation authorization outlined in the Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU), which was enacted in August 2005. The project selection process for federal transportation funds is led by different entities, depending on the type of funding. For federal funds used for public transportation purposes, the state serves a variety of roles in the selection of projects and the distribution of funds. For some programs, the funds are allocated directly to the state for project selection, while the state has a more limited role in the project selection for other types of programs. In many cases, WSDOT, FHWA/FTA and the MPOs/RTPOs have developed an allocation process specific to the funding type.

Table 5 lists all the federal grants that come to the State and the state's role in project selection. Some grant funding is managed by the state; others are passed through to other entities for project selection.

Note that SAFETEA-LU has many programs. However, because the focus of this study is on public transportation, not all funding programs are included in this paper. Discretionary programs where projects are selected at the federal level, such as the FTA Section 5309 New Starts/Small Starts program and Congressional earmarks, are also not included below unless the state has a role as a designated recipient or grantee.

All projects using federal funds must be included in the Metropolitan/Regional Transportation Improvement Programs (TIPs) and the Statewide Transportation Improvement Program (STIP). The public, federal and state agencies and other stakeholders are invited to participate in the development of the TIPs and the STIP.

Table 5 – State Role in Federally Funded Projects

Major State Role	Key Elements under Each Role	Summary of Major Features
Federally Authorized Funds: State Selects Projects	FTA Section 5310: Transportation for Elderly Persons and Persons with Disabilities Program	Distributed to each state according to its share of the special needs population. Funds are for equipment purchases. Projects must be derived from a local coordinated public transit human services transportation plan.
	FTA Section 5311: Formula Grants for Non-Urbanized Areas	Distributed to each state for the operating, capital and administrative expenses of providing coordinated public transportation services in rural areas.
	Federal Railroad Administration High Speed/Intercity Passenger Rail (HSIPR)	Eligible state-supported high speed and intercity passenger rail projects are identified and selected by WSDOT/Amtrak and are then submitted to USDOT for evaluation and approval.

Major State Role	Key Elements under Each Role	Summary of Major Features
	State Surface Transportation Program (STP)	Flexible funds that can be spent on a variety of transportation projects, including highway, rail and bus transit, bicycle, pedestrian, etc. Minimum of 10 percent set-aside from the state's STP apportionment to be used for Transportation Enhancements.
	Ferry Boat Discretionary	Eligible state ferry projects are identified and selected by WSDOT and are then submitted to USDOT
Federally Authorized: Local Agencies/Regions Select Projects and/or State Plays Role	Congestion Mitigation and Air Quality (CMAQ)	Projects that will improve air quality or manage congestion in federally-designated non-attainment and/or maintenance areas.
	Regional Surface Transportation Program (STP)	Flexible funds that can be spent on a variety of transportation uses, including highway, rail and bus transit, bicycle, pedestrian, etc.
	FTA Section 5307: Urbanized Area Formula Program	Funds can be used for transit capital and operating assistance and are allocated by formula to urbanized areas.
	FTA Section 5316: Job Access and Reverse Commute Program (JARC)	Funds are used to address the transportation challenges faced by welfare recipients and low-income persons seeking employment. Projects must be derived from a local coordinated public transit human services transportation plan. (Note: The state selects projects for rural and small urban areas of the state and allocates through the Public Transportation Grants program.)
	New Freedom Program (FTA Section 5317)	Funds are used to assist persons with disabilities seeking work force integration. Projects to be funded must be derived from a local coordinated public transit human services transportation plan. (Note: The state selects projects for rural and small urban areas of the state and allocates through the Public Transportation Grants Program.)

State Selects Projects
Some federal funding programs are allocated to the state, and the state has discretion (in cooperation with regional/local agencies) over the selection of projects to be funded with those program dollars.

In the case of the 5310 and 5311 programs the Public Transportation Division collects grant applications for both programs and provides a coordinated funding program so providers only need to submit one application.

Local Agencies/Regions Select Projects
In cooperation with WSDOT and federal partner agencies, local and regional entities select projects for many types of federal transportation programs. In most cases, the role of the state is limited. However for some programs, WSDOT does serve a role. These include:

- Job Access and Reverse Commute Program (FTA Section 5316): Sixty percent of these funds are distributed to designated recipients in large urbanized areas. The remaining forty percent is distributed to states with one-half going to small urbanized areas with a population of between 50,000 and 200,000 and the other half (20 percent) going to rural and small urban areas under 50,000 in population. The state consolidates the small urbanized and rural funds into a competitive Consolidated Public Transportation Grant Program.
- New Freedom Program (FTA Section 5317): Sixty percent of these funds are distributed to designated recipients in large urbanized areas. The remaining forty percent is distributed to states with one-half going to small urbanized areas with a population of between 50,000 and 200,000 and the other half (20 percent) going to rural and small urban areas under 50,000 in population. The state consolidates the small urbanized and rural funds. The small urbanized and rural funds are placed in the competitive Consolidated Public Transportation Grant Program.

3.3.2 State Funded and Authorized Taxes for Public Transportation
The state provides funds for various projects that are funded through a variety of revenue sources that go into a state multi-modal account. In addition it has also authorized various taxing mechanisms for public transportation providers to levy. Some taxing sources are subject to voter approval.

State Funded Multimodal Account
The Multimodal Transportation Fund was established during the 1990 legislative session to be used for general transportation purposes. Revenues are derived from a variety of fees and taxes on driver's licenses, light vehicle weight fees, a portion of the sales tax on automobiles and rental car taxes. This Fund can be used for programs such as transit, aviation, passenger and freight rail, and new transportation technologies, as well as for highway purposes.

A variety of public transportation services are funded through this account. These include programs such as Commute Trip Reduction tax credit and non-profit grant support, vanpool funding, passenger rail funding, and other. In the past, ferry terminal investments and state rail system improvements, including freight improvements and even some highway investments have used this source of funding.

A main use of funding from this account has been to support public transportation investments in rural areas and for special needs transportation. Two grant funding programs that are funded through this account include:

Regional Mobility Grant Program – The Regional Mobility Grant program is mandated by RCW 47.66.030 with the purpose to foster local government support for funding "cost-effective projects that reduce delay for people and goods and improve connectivity between counties and regional population centers." Such projects can include park-and-ride lots, peak hour transit service, service providing inter-county connections, or other capital projects aimed at improving transportation connectivity and efficiency. WSDOT must submit a prioritized list of projects to be considered for funding to the legislature each year by December 1st. WSDOT must also report the status of grant projects already receiving funding every year to the legislative transportation committees.

Rural Mobility and Paratransit/Special Needs Grant Programs – State grant funds are distributed to transit agencies and other public transportation providers through the Rural Mobility and Paratransit/Special Needs Grant programs. Rural mobility funds are intended to improve transportation in rural areas where public transportation is limited or does not exist. The WSDOT Public Transportation Division uses this account and in particular these two programs as part of the consolidated grant process for the 5310 and 5311 programs.

Currently funds are split into two programs Rural Mobility and Paratransit/Special Needs. Rural Mobility funds are split with half used for a sales tax equity distribution program and the other half is added to the competitive Consolidated Public Transportation Grant Program. Paratransit/Special needs funds are distributed to public transit agencies based upon a formula distribution and the remaining dollars are placed in the competitive Consolidated Public Transportation Grant Program for services provided by nonprofit agencies.

State Authorized Local Option Taxes

State statutes also allow public agencies that provide public transportation to levy certain local option taxes to support capital and operations. Transit districts, including PTBAs, counties, metropolitan municipal corporations, etc., throughout the state are authorized to impose a sales and use tax of up to 0.9 percent[11], with voter approval. Following the repeal of the local motor vehicle excise tax in 2000, the local transit sales and use tax became the primary funding source for transit districts in Washington State. Approximately two-thirds of transit district revenues are generated by this tax.

The statutory basis for these taxes is discussed in this section. Table 6 below summarizes the funding authorizations used to support public transportation efforts.[12]

[11] RCW 82.14.045

[12] Note that, in some instances, not all taxes may be imposed concurrently (i.e., PTBAs may impose a sales and use tax or a household and B&O tax but not both).

Table 6 – Summary of State Authorized Local Public Transportation Taxes

Type of Tax	Description
Sales and Use Tax for Public Transit Providers	Transit districts, including PTBAs, counties, metropolitan municipal corporations, etc., throughout the state are authorized to impose a sales and use tax of up to 0.9 percent with voter approval.
Local Option Taxes for High Capacity Transportation Local Option Taxes for High Occupancy Vehicle Systems	RTAs and transit agencies providing high capacity transportation can levy and collect (with voter approval) a tax on employers, sales and use tax, and other sources. Sound Transit continues to have authority to impose a MVET of 0.3 percent to retire bonds backed by the tax source.
	King, Pierce and Snohomish counties are eligible to impose (with voter approval) a tax on employers and a sales and use tax on rental vehicles.
Commercial Parking Tax	Cities and counties (unincorporated areas) are allowed to impose a tax on commercial parking to support a range of transportation purposes, including public transportation.
Local Option Taxes for Ferry Services	County Ferry Districts may impose a property tax of up to 75 cents per $1,000 in assessed value (except in King County where the maximum rate is 7.5 cents per $1,000 in assessed value) to fund capital and operating costs. Voter approval is not required. PTBAs can also levy taxes (with voter approval), fees and tolls for passenger-only ferry service capital and operations.
Local Option Taxes: Transportation Benefit Districts (TBD)	TBDs can impose a variety of taxes, fees, charges and tolls to fund transportation improvements.
Business and Occupation Tax for Transit Districts	Transit districts are authorized to impose a business and occupation tax for operations, maintenance and capital expenditures. The rate for this tax is determined by the transit district, and voter approval is required.
Household/Utility Excise Tax for Transit Districts	Transit districts are authorized to impose a household/utility excise tax[13] for operations, maintenance and capital expenditures. The rate for this tax is determined by the transit district, and voter approval is required.

Local Option Taxes for High Capacity Transportation – The passage of Initiative 776 repealed the use of most motor vehicle excise taxes that were previously allowed. A sales and use tax on rental vehicles in lieu of the MVET is still allowed. A temporary exclusion was granted on certain motor vehicle excise tax revenues that were committed by RTAs for repayment of bond debts. There are also exemptions for certain types of employers, such as hospitals and schools.

[13] ibid.

Local Option Taxes for High Occupancy Vehicle Systems – King, Pierce and Snohomish counties are eligible to impose (with voter approval) a tax on employers[14] and an excise tax on motor vehicles[15] (and a sales and use tax on rental vehicles in lieu of the MVET). Similar changes, exemptions and exclusions are allowed as noted above.

Commercial Parking Tax –Certain types of vehicles, such as vehicles with handicapped decals and government vehicles, are exempt from the tax. The City of SeaTac generated over $5 million from this tax in 2007.[16]

Local Option Taxes for Ferry Services – One-year excess levies are allowed with voter approval.[17] PTBAs can also levy taxes (with voter approval), fees and tolls for passenger-only ferry service capital and operations. A PTBA may impose some or all of the following revenue sources[18]:

- A motor vehicle excise tax[19];
- A sales and use tax[20];
- Tolls for passengers and packages and, where applicable, parking, and;
- Charges or licensing fees for advertising, leasing space for services to ferry passengers, and other revenue-generating activities.

Local Option Taxes: Transportation Benefit Districts (TBDs) – The following revenue sources are authorized by statute[21]:

- A sales and use tax[22];
- A vehicle fee[23];
- A fee or charge on building construction or land development[24], and;
- Vehicle tolls on state routes, city streets, or county roads, within the boundaries of the district, unless otherwise prohibited by law.[25]

3.4 Coordination and Oversight

In addition to the role the Public Transportation Division plays in coordinating grant requests, the state is also involved in supporting programs that improve coordination. As this point their role in oversight is

[14] RCW 81.100.030
[15] RCW 81.100.060
[16] *Transportation Resource Manual -2009 Edition* (State of Washington Joint Transportation Committee, 2009)
[17] RCW 36.54.140
[18] RCW 36.57A.210
[19] as provided in RCW 82.80.130
[20] as provided in RCW 82.14.440
[21] RCW 36.73.040
[22] in accordance with RCW 82.14.0455
[23] in accordance with RCW 82.80.140
[24] in accordance with RCW 36.73.120. However, if a county or city within the district area is levying a fee or charge for a transportation improvement, the fee or charge shall be credited against the amount of the fee or charge imposed by the district. Developments consisting of less than twenty residences are exempt from the fee or charge under RCW 36.73.120.
[25] Refer to RCW 47.56.820 and 47.56.850 for restrictions.

limited to the development of summary documents that describe the status of public transportation providers and the financial support to various programs.

Transit Development Plans (TDP) – The State requires public transit agencies to submit TDPs annually. The TDPs are intended to give an annual individual agency snapshot of their current operations and plans for the future. The TDPs are required to be fiscally constrained and to include a funding plan. The plan does not require transit agencies to identify needs that it would seek to address if additional resources were available. Some agencies include a summary of how they contribute to meeting state goals; however, this is not a requirement. The TDPs are used to encourage local level planning, provide coordination between local agencies, regional, and statewide planning, to educate and communicate to elected officials and the public, and as an information and reporting tool. Review of the current TDPs provided the following observations about connectivity between transit systems:

- Some transit systems have made progress in providing connectivity (e.g. the Tri-County Connector route operated by Island, Skagit and Whatcom Transits). However, there are unmet needs associated with connectivity.
- While many systems are connected at transit centers, there is a lack of through-service that would result in one-bus rides for customers.
- For specialized human service transportation programs, lack of connectivity between services was identified as a major concern.

Agency Council on Coordinated Transportation (ACCT) – The Agency Council on Coordinated Transportation was created under RCW 47.06B with the purpose "to advance and improve accessibility to and coordination of special needs transportation services statewide." The ACCT was created to identify a way to identify ways to better coordinate the special needs services provided through a multitude of programs. It was required to develop a work plan which focuses on projects that identify and address barriers to coordinated transportation, focuses on results, and advocates for improvements for those with special transportation needs. The ACCT was also tasked with reviewing local plans developed by Regional Transportation Planning Organizations (RTPOs) and Metropolitan Planning Organizations (MPOs) for compliance with federal requirements.

ACCT oversees the creation of local coordinating coalitions responsible for detailing local efforts to coordinate transportation programs and services. These local coordinating coalitions must also report progress on identifying all entities serving persons with special transportation needs (public, private, non-profit, and community based groups), as well as identifying local service needs, gaps, barriers, and strategies to overcome them.

Finally, per RCW 47.01.450, any new application for grants related to paratransit or special needs transportation services must also include an explanation of how the funding will be used to improve efficiency or coordination of special needs transportation. Current ACCT is a participant in the Consolidated Public Transportation Grant program. It is intended that ACCT will sunset in 2011 as their role was to ensure a coordinated process for special needs transportation investment decisions.

Coordinated Public Transit-Human Services Transportation Plans – As part of revisions to federal law contained in SAFETEA-LU,[26] projects funded through the Transportation for Elderly Persons and Persons with Disabilities, Job Access and Reverse Commute, and New Freedom programs (FTA Sections 5310,

[26] 49 U.S.C. Sections 5302, 5303, 5310, 5311, 5314, 5316, and 5317; SAFETEA-LU Section 3046.

5316, and 5317) must now originate from a locally-developed coordinated public transit-human services transportation plan. In addition, in Washington State, WSDOT has directed that projects funded by FTA Section 5311 and the WSDOT-directed Coordinated Grant Program also be tied to the coordinated plans.[27] Grant program applicants must participate in the MPO/RTPO-coordinated planning process in their region. The Agency Council on Coordinated Transportation (ACCT) is responsible for recommending to WSDOT approval of the plans. Unlike the TDPs prepared by the transit agencies, many of these plans do identify unmet needs although it is not required and the costs of addressing these needs are not estimated.

Gray Notebook

The State develops a quarterly performance report on transportation in the state. This report is focused on highway, aviation, ferries, rail, and freight – and only minimally on transit. The Gray Book links performance measures to the strategic plan, legislative and executive policy directions, as well as federal reporting requirements. It is connected to strategic planning, target setting, identifying improvement opportunities, and the state's budgeting process. It includes some summary performance information on the ferry system including asset condition, farebox recovery, reliability and ridership.

Annual Summary of Public Transportation

The Summary is a yearly report that provides a status of public transportation in Washington State. It contains data on transit providers throughout the state. The report is organized into four main sections that provide primarily a status profile of each provider. After a general overview, providers are grouped according to three categories: Systems serving Urban Areas; Systems serving Small Urban Areas, and Systems serving Rural Areas.

[27] *Special Needs Transportation Coordination Study - Final Report* (State of Washington Joint Transportation Committee, January 2009).

4.0 Assessing the State's Current Role

With this overview as a backdrop, there are a few different ways to begin assessing the state's future role in public transportation. First, this paper reviews the state's current role in relation to the four role categories: Policy, Planning and Leadership, Direct Operations, Funding, Coordination and Oversight. Secondly, this report assesses the state's role in relation to its future investment goals. Third, it reviews how current state programs address overall state policy goals. Finally, we discuss its role in relation to addressing unmet needs.

This section is intended to generate ideas and discussion that will be further discussed with the Public Transportation Advisory Panel. This work and the work of the Advisory Panel will be incorporated into the Blueprint and the final report submitted to the JTC.

4.1 Washington State's Involvement in Addressing State Role Categories

As summarized above, the state plays an active role in setting policy and providing authorization for the provision of public transportation services. In addition, the state provides a planning function through the WTP directs construction of the HOV and ferry systems and supports the development of park-and-rides and transit centers. Correspondingly, Washington commits funding towards the operations of these programs and services. This includes addressing ferry capital and operating needs and managing the operation of the HOV network including the HOT lane system. It also contracts for the operation of the intercity bus and rail services with private bus operators and Amtrak.

However, while playing a significant and active role in funding the above services, direct state funding of other public transportation is limited to allocating the state Multimodal Account funds and some of the federal grant funds that the state receives. More specifically, excluding the funding directly provided to the systems noted above (HOV, ferry, intercity rail and intercity bus), the state's direct funding role represents approximately 2 percent of the total investment in public transportation systems in the state (i.e., public transit systems).

An example of the state's limited funding role in public transportation is summarized in Figure 2 below. Figure 2[28] outlines the total revenues and sources used for public transit operations in 2007. It shows that about 75% of the operating funds are generated locally through local sales and other local option taxes and fare revenue. While some federal and state funds are from "capital" sources, these funding sources are considered "flex funds" and, in some circumstances, can be used for transit operations and preventive maintenance. As Figure 2 indicates, the state's contribution to public transit operations in 2007 was approximately 2% of the total, approximately $32 million.

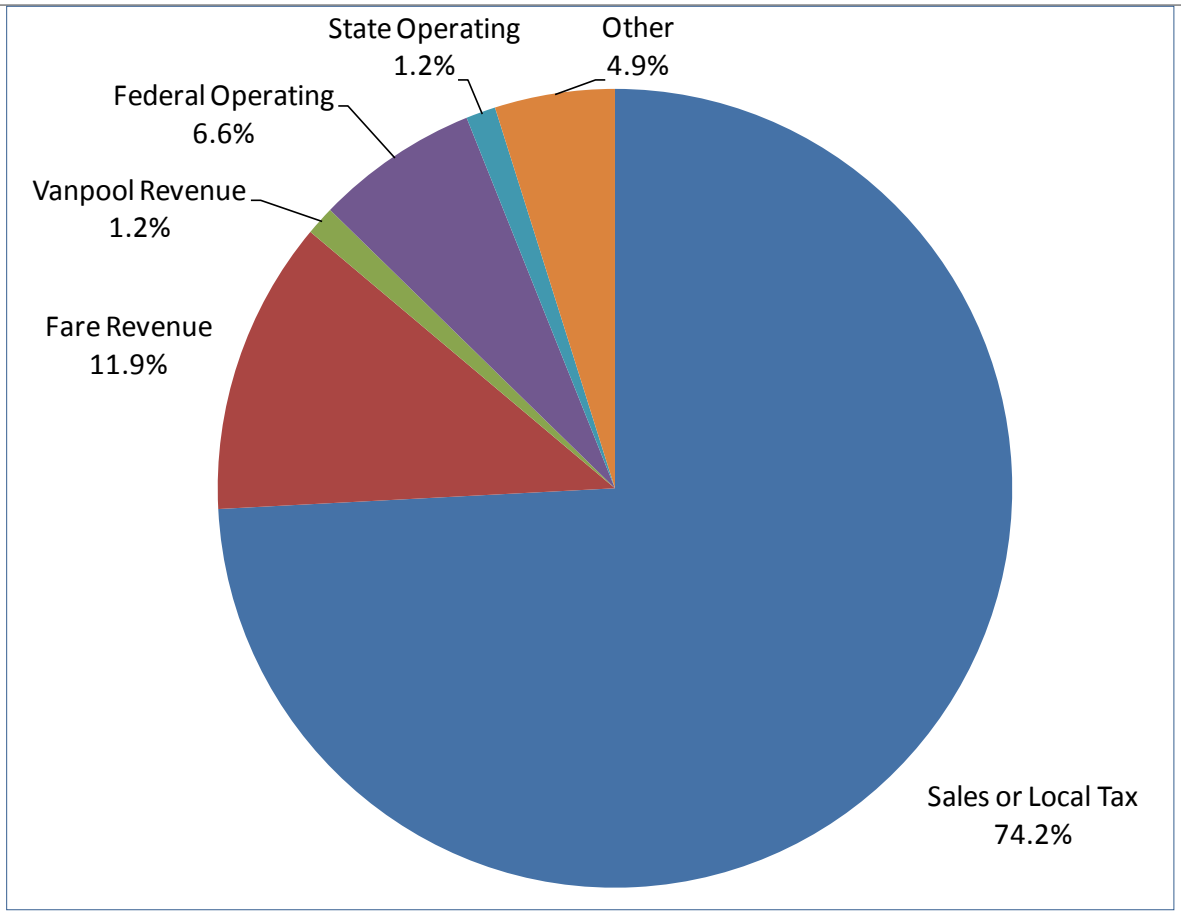
Funds provided and distributed by the state under the Regional Mobility and Public Transportation Grant programs also provides a perspective on the extent of state funding support for public transportation. For the 2009-2011 biennium, a total of approximately $32 million in Regional Mobility grants was approved for 13 capital projects and operating programs in the state[29]. This funding represented 12 percent of the total funding necessary to support the programs. Of the Regional Mobility grant funds allocated for operations, the state support comprised approximately 29 percent of

[28] Summary of Public Transportation – 2007 (Washington Department of Transportation, November 2008; page 5
[29] Regional Mobility Grant Program – 2nd Quarter 2009 Report, WSDOT (October 2009)

the programs' total costs. For the grant funds allocated for capital programs, the state support comprised approximately 11 percent of total projects' costs (it should be noted that several programs will involve implementation over multiple years).

The Public Transportation Grants program also includes a mix of capital and operating elements that are supported by the state, federal FTA funds or, in some cases, both. For the 2009-2011 biennium, a total of about $36.7 million in grants was awarded. Of this, $13.7 million in state funds was awarded and $23 million in FTA funds was awarded. Of the state funds, a substantial majority, $13.2 million or 96%, was directed to providing operating assistance for 54 public transportation systems (primarily smaller and more rural transit agencies) and non-profit organizations.

Figure 2 – Operating Revenues for Local and Regional Public Transit



Note: Some revenues generated by sales and use taxes can be used for capital projects

That being said, the state has made the most of this limited funding role. It leads an active coordination program for meeting health and human service needs extending the federal dollars to also expand improvements that meet the needs of smaller communities. It is also a leader in developing programs that resulted from CTR legislation focusing on reduction of SOV work travel. This has included the support and development, in cooperation with transit agencies, of an extensive Vanpool program.

While the obvious question from this assessment is funding, there are also questions regarding whether these are the right areas for the state to be focused.

- If the state were to place greater emphasis on coordination of services, multimodal connections and service integration, would this result in a different targeting of federal and local funds than what currently happens today?
- Alternatively, should the state give greater emphasis to ensuring a minimum level of service in rural areas and target its limited dollars accordingly?

Discussion Point
Are existing state public transportation resources and funding focused on the right public transportation issues?

- Should the state place greater emphasis on efficiency and play an active role in coordinating combined procurements for public transportation providers (e.g., vehicles, insurance, and fuel purchases)?
- Should the state place greater emphasis on the role that the private sector might play and create a consistent framework to address key issues? For example, if private providers are allowed to use publicly funded facilities (park and ride lots), is there a mechanism to ensure that such providers pay a reasonable share of the operations and maintenance costs of those facilities?

4.2 Washington Transportation Plan

As previously noted, this particular study is a timely one in that the state is updating the Washington Transportation Plan (WTP). Several strategic themes have been identified for the WTP Update. These themes are:

1. The State's transportation system needs to work as an integrated network, effectively connecting across modes and jurisdictions
2. Preservation and maintenance of the existing transportation system is the most critical need
3. Washington faces a structural transportation funding problem and additional revenue is needed

The draft updated WTP 2030 is organized around six statutory transportation policy goals as outlined in RCW 47.04.280.4. Economic Vitality was added to the goals by the Legislature in 2010. These shared goals are applied across all modes and all infrastructure investments, however it is expected that achieving the goals will vary across the state.

ECONOMIC VITALITY	To promote and develop transportation systems that stimulate, support, and enhance the movement of people and goods to ensure a prosperous economy
PRESERVATION	To maintain, preserve, and extend the life and utility of prior investments in transportation systems and services
SAFETY	To provide for and improve the safety and security of transportation customers and the transpo rtation system
MOBILITY	To improve the predictable movement of goods and people throughout Washington State
ENVIRONMENT	To enhance Washington's quality of life through transportation investments that promote energy conservation, enhance healthy communities, and protect the environment
STEWARDSHIP	To continuously improve the quality, effectiveness, and efficiency of the transportation system

With regards to public transportation, the current Washington Transportation Plan focuses almost exclusively on two of the state's six goals – Mobility and Stewardship – identifying a significant number of investments. While some specific investments are identified to address other goals, they are much more limited. However, if the state is to achieve growth management, commute trip reduction and greenhouse gas emissions policy objectives, there appears to be even a greater need to evaluate public transportation's role in meeting Environmental Quality and Economic Vitality.

In addition, the recent economic challenges have had a significant impact on the preservation of public transportation services Public transportation providers have had to very actively manage their funding in order to maintain existing service. Some systems have reduced service in terms of geographic coverage, affecting linkages between systems; and reduced service hours affecting access to service oriented jobs.

Thinking more holistically about public transportation's role in meeting overall state goals may lead to developing a different set of objectives, priorities or areas of emphasis in state public transportation involvement or funding. For example, concepts such as public transportation's role in emergency preparedness, or an assessment of safety issues related to public transportation, could lead to programs that would support addressing safety issues related to public transportation which would enhance the overall state system and address current provider requirements and needs.

4.3 Existing State Programs

As noted in the current WTP, the legislature has stated that, "the state needs to reestablish itself as a leader in public transportation" and that WSDOT should guide the increased integration of public transit and the highway system to increase corridor efficiency and connectivity between decentralized public transportation services. WSDOT, and in particular, the Public Transportation Division, is tasked with achieving this vision.

WSDOT contains several divisions that manage elements of the public transportation network such as the management of the HOV/HOT lane network, the Ferry system, the Passenger Rail Division and a separate Public Transportation Division.

The activities managed by the Public Transportation Division are perhaps the broadest, including the management and oversight of several different programs. The Division is tasked with general programs such as the development of a park-and-ride lot program, encouraging long-range transit planning, improving connections between RTPOs and transit agencies, and recommending best practices for integration of transit and transportation demand management approaches with regional and local land use plans. It is required to develop a statewide strategic plan that creates common goals for transit agencies and reduce competing plans for multi-jurisdictional service. Finally, division staff participates in corridor planning, including freight, ferry system, and passenger rail planning.

The Public Transportation Division is responsible for implementing the policies and managing federal and state funding distributions according to federal and state guidance. They oversee the following programs based upon that policy direction. These programs directly respond to some goals outlined in the WTP, such as:

Stewardship

- Commute Trip Reduction (CTR) Program – Encouraging people to ride the bus, vanpool, carpool, walk, bike, work from home, or compress their work week, the CTR program helps make the transportation system work more efficiently.
- Trip Reduction Performance Program – Encourages entrepreneurs, private companies, transit systems, cities, non-profit organizations, developers, and property managers to provide services to employees that result in fewer vehicle trips arriving at worksites.
- Vanpool Investment Program – Encouraging increased use of vanpooling by the state's commuters.

Economic Vitality

- Rural Public Transportation Program – Enhancing the access of people in non-urbanized areas to health care, shopping, education, employment, public services, and recreation

Funding

- Contracts and Grants Administration Program – Providing guidance to public transportation agencies on six-year, capital improvement and asset management plans.

In addition, there are programs that address some key elements of coordination and partnership. While not specifically identified as key recommendations they promote the effective use of existing resources. It may be worthwhile to understand how these programs help develop an effective and efficient transportation system. Conversely a discussion regarding the state's role in providing basic mobility may also be worthwhile.

- Agency Council on Coordinated Transportation (ACCT) Program – Identifying and eliminating barriers to coordination, focus on results and establish advocacy for coordinated special needs transportation programs, policies and projects.
- Regional Mobility – Working to improve connections between transit services, and improve the integration between public transportation and the highway system.

Similar to the review of the WTP, there are areas where no current programs exist in addressing state goals. Another question that might be asked, are these the right programs for addressing the state's key goals and objectives. Finally, are there programs missing that could be useful to addressing state goals, or as discussed below, meet unmet needs.

Discussion Point

Do (or should) the current public transportation programs achieve Washington's six adopted transportation system policy goals?

4.4 Meeting Public Transportations Unmet Needs

The White Paper identifies and assesses unmet public transportation needs throughout the state. This section presents information from the standpoint of state public transportation interests. Information on unmet needs include those identified in the current Washington Transportation Plan, the Transit Development Plans and the Coordinated Human Services Transit Plans.

4.4.1 Unmet Needs in the Washington Transportation Plan

The adopted WTP (2007-2027) identifies several unmet needs and estimated costs to meet these needs. Each of the needs relate to one or more of the major goals that the WTP is trying to achieve. The needs listed below focus on public transportation unmet needs. Subsequent to the adoption of the WTP, some of these identified needs have been partially addressed. It is important to note, however, that these needs are only identified in relation to two of the state's transportation system policy goal areas, specifically Mobility and Stewardship.

Mobility

- $550M - Complete the high occupancy vehicle (HOV) system in the Puget Sound region) to reduce travel delay and increase travel time reliability for transit and carpools
- $200M - Implement a park-and-ride program in coordination with transit systems, including alleviating overcrowding at existing lots, providing safety and security, and accommodating growing demand
- $8M - Expand the existing web-based public transportation information system to enable people to plan detailed itineraries between communities throughout Washington and other states
- $471.7M - Expand Amtrak *Cascades* intercity passenger rail service
- Increase funding to the Agency Council for Coordinated Transportation (ACCT) by $30M to support performance measurement and community coalitions of providers.
- $20M - Improve services for special needs populations in both rural and urban areas through demonstration projects ($20M)
- $364M - Fund remaining needs for rural mobility grants to assist non-profit providers in areas of the state with limited transit service
- $32M - Connect communities and rural areas to urban centers with bus service
- $45.9M - Purchase more vans for the vanpool enhancement program

Stewardship

- $20M - Expand the commute trip reduction tax credit program, increasing the number of small employers in the program
- $20M - Expand the trip reduction performance program (part of Commute Trip Reduction) to fund cost-effective projects, implement recommendations to improve the program, and provide technical support to grant recipients
- $32M - Provide incentives and support for local jurisdictions to develop Growth and Transportation Efficiency Centers, as employers located in these areas tend to have higher levels of trip reduction
- $25M - Provide additional funds for Commute Trip Reduction County Support to help counties experiencing highway congestion integrate regional and local plans to reduce solo-driving commute trips
- $10M - Educate the public and use marketing to increase travelers' use of commute options for Commute Trip Reduction
- $12.5M - Develop and sustain a vanpool rideshare incentive program, using vanpool financial incentives and technical assistance

The projects identified above only cover two statewide transportation goals. In addition, they focus on a limited number of programs. Is there an overemphasis of some areas at the exclusion of others? Are there other programs or initiatives that should be considered in the future? Are there some that should be eliminated?

Discussion Point

How should public transportation unmet needs be identified and prioritized?

4.4.2 – Unmet Needs Identified in Transit Development Plans

While the WTP provides direction on statewide unmet needs, more localized information is presented through Transit Development Plans (TDP) and Coordinated Public Transit-Human Services Plans. The reviews of these plans indicate the following major findings relating to unmet needs which could inform state public transportation goals:

- There is **lack of stable funding** for public transportation programs. While local option taxes make up the major portion of transit funds, particularly sales tax, the passage of Initiative 695 and the current economic recession have resulted in significant long-term reductions of transit revenues. Several goals of the WTP such as **environmental quality** and **mobility** are being impacted by the resulting service reductions.
- Current services are being reduced and future expansions are being deferred. The existing public transportation network cannot be **preserved** and **mobility** for all users is being reduced.
- Current/emerging public policies combined with demographic trends are creating a need for more public transportation, not less. Some of these trends such as GHG reductions, congestion, a projected 28% growth in the state's overall population by 2030 (1.9 million people), and the growing needs of a growing and aging population are affecting the state's **environmental quality** and **economic vitality**.

It is important to note that the state does not require transit agencies to identify or estimate the cost of potential unmet needs when preparing their TDPs. Instead, the state requires that they be financially constrained. Seeking this information in the future could provide valuable information regarding potential future issues that may need to be addressed.

4.5 Public Transportation in Meeting State Goals and Achieving State Policy

From the information provided in this paper there appear to be some key themes regarding the state's current role in public transportation. In addition, there are some questions that arise in thinking about the integration of public transportation into the overall transportation network.

- *Infrastructure Development* - There is a recurring theme in the state's role in providing basic infrastructure to meet the needs of public transportation providers. This crosses all areas and provider types. Roles include construction/management of the HOV system in the central Puget Sound region and the current grant funding coordination to support public transportation facilities in all areas, such as park and rides and individual vehicle purchases. In addition, from a rural perspective this could also include the provision for all-weather roads.

This role could be further enhanced by prioritizing all weather road investments based upon the provision of public transportation services. In addition, it could also include pilot projects that target key recommendation areas such as alternative fuel development and other developments that reduce reliance on fossil fuels.

A question raised that relates to public infrastructure investments (e.g. park-and-ride facilities) is to what extent, under what conditions and at what cost could private operators make use of these various facilities?

- *Congestion/VMT Reduction* - Another area that the state has spent considerable effort is in addressing congestion and VMT reduction. Several programs have been developed and funded to address peak congestion during work hours for major employers. Recent changes allow CTR to address potential trip reductions relating to smaller employers and non-work trips. These efforts support the effective management of the existing transportation network. Indirectly these programs address many key recommendation areas. Are there enhancements or different programs that should be considered that could address key state policies or goals such as greenhouse gas reductions or economic vitality?

> *Discussion Point*
>
> Are there state roles that should be enhanced or expanded to meet state goals or identified public transportation needs?

- *Specialized Public Transportation Services* - The state plays a major role in the funding and development of specialized transportation services, including those programs being provided in areas that are not served by public transit systems. The aging population, particularly in rural areas of the state will likely place greater demands on traditional and non-traditional public transportation services. One question to consider is the extent to which state involvement will grow to meet these demands. Another area for the state to consider is what role it might play in better communicating the availability of these services and the eligibility requirements associated with them. The state could advocate greater federal government involvement in the reduction of barriers identified between services for Medicaid and non-Medicaid clients.

- *Coordinated Public Transportation Planning* - WSDOT reviews transit agency TDPs and evaluates grant applications for federal and state specialized transportation and regional mobility projects. The TDPs are to include information regarding intermodal connections that are being made. In one case, the state directly funds coordinated service between three transit operators serving Whatcom, Skagit and Island Counties. A question to consider here is: Can/should the state enhance or expand these activities to address interconnectivity across boundaries in other key areas of the state?

Other Questions to Consider

What goals are most important to the development of an effective public transportation network? Programs exist that address some state goals, however not all of them. Are these the right goals to address? Do the existing resources and programs effectively meet those goals?

Other key transportation system policy goals include:

- *Preservation* – Public transportation is most effective and efficient when people and destinations are more closely congregated. While this isn't always possible, there may be

actions that the state can take to evaluate existing state agency policies to better link land use and facility siting decisions with transportation investments as identified in GMA. There are questions regarding concurrency and its impact on public transportation. In addition, there are questions regarding the state's role in providing non-transportation state services in a way that are more easily accessible via public transportation.

- *Safety* – What is public transportations role in addressing emergency preparedness. Are there other public safety issues related to public transportation that the state should address?
- *Economic Vitality* – What elements of a public transportation network best support the state's economy? Given that this is a newly-identified state goal (2010), what role should the state play in supporting or facilitating public transportation investments or services to support this new goal?
- *Funding* – Are federal and state grants being effectively targeted the highest priority state needs? Should existing funding be distributed broadly (so that there is equity) or, conversely, be more targeted in order to focus on key state goals?

Appendix D
Identify Efficiency and Accountability Measures

State Role in Public Transportation

Identify Efficiency and Accountability Measures

1.0 Purpose and Key Findings

During the 2010 legislative session, the Washington State Legislature commissioned a study designed to identify the state role in public transportation and to develop a Blueprint to guide future state investments in public transportation. This study was conducted over a six-month duration during which white papers were prepared on key topics to provide the basis for on-going discussions with, and feedback from, the JTC and the Public Transportation Advisory Panel assembled for this effort.

The white papers prepared for this study included:

- Unmet Public Transportation Capital and Operations Needs
- Assessing the Current State Role in Public Transportation
- Public Transportation Efficiency and Accountability Measures to Inform Future State Investment

A Final Report which incorporated all white paper findings and recommendations was prepared and submitted to the Joint Transportation Committee of the Washington State Legislature in January 2011.

1.1 Overview of Task 3

This document is the third white paper in this series, presenting preliminary findings on performance measures for public transportation in Washington State. It was used to inform discussions with the Public Transportation Advisory Panel at its September 2010 workshop. The paper's contents, as well as the discussions with and among the Panel, are reflected in recommendations submitted to the Legislature in December 2010. As such, this draft does not include specific performance measures recommendations. Recommendations will be documented in the final summary report. This paper is intended, however, to accomplish the following objectives:

- Provide an overview of performance management;
- Describe current public transportation performance management practices at the federal, state, and local levels;
- Summarize how performance management is currently used in Washington for public transportation;
- Present peer review findings regarding the relationship between state roles and the use of performance management; and
- Present questions that will help inform discussions at the Public Transportation Advisory Panel workshop in September, 2010.

Report contents include:

- A Common Understanding of Measurement
- National and Best Practices
- Application to Washington State

1.2 Summary of Major Findings and Key Questions

This document provides background necessary to help assess which performance measures –as part of a broader performance management framework– inform how and whether state public transportation goals are being met. Major outcomes from the report include:

1.2.1 Findings:

- Performance management is a process that allows an organization's leaders to make informed decisions, communicate successes, and revise or develop new policies/programs.
- To the degree a state plays a role in public transportation, performance measures should be clearly tied to a state's goals and its role.
- Washington's current use of performance measures are generally aligned with its current roles in public transportation. Some are directly aligned with state goals.
- Washington transit agencies currently submit statistics at the federal, state, and local levels. These measures are not explicitly aligned with state goals.
- Other states' use of performance measures is generally consistent with their established levels of involvement in public transportation.

1.2.2 Key Questions for Discussion:

- What role does public transportation play in meeting state goals? What role does transit play?
- Given the diversity of needs in the state – and the broad range of services provided – how can the state refocus on those elements of the public transportation system that are most critical for achieving its policy goals?
- Given the volume of data that is collected and reported, what are the most appropriate measures for assessing how public transportation system is meeting state goals?
- Given the limited role that the state plays in funding and operating transit, what performance measures should the state use and why?
- What sources of information should be used and how should it be collected?

2.0 A Common Understanding of Measurement

The ultimate and desired outcome of this research is a better definition of how public transportation performance-related measures might be used in Washington State as they relate to public transportation. However, effectiveness, efficiency and accountability measures developed in a vacuum will have little meaning and limited impact; rather, they need to be recognized and managed for what they are – part of a broader framework. Such a framework is most commonly known as **performance management**. As defined by Transportation Cooperative Research Program.

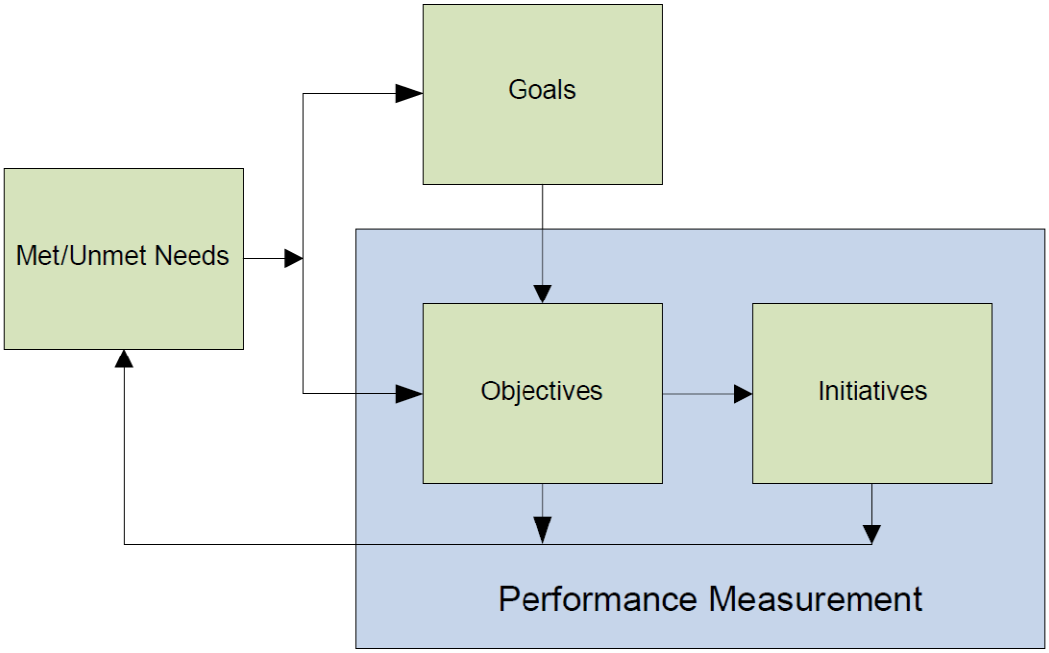
"Performance measurement involves the collection, evaluation, and reporting of data that relate to how well an organization is performing its functions and meeting its goals and objectives. The measures used in the process ideally relate to the outcomes achieved by the organization; however, descriptive measures can also be used to provide context and help identify underlying reasons for changes in performance."[1]

Performance management is important for any organization because it provides a method for leaders at all levels to make informed decisions, communicate successes, and revise or develop new policies and/or programs based on their established goals. To be successful, performance management programs should be consistently implemented, and continuously reviewed and improved, so a culture is established that supports accountability, measurement, and continuous improvement.

Another key to a successful performance management program is establishing a framework that clearly connects an organization's goals to its objectives, initiatives (or activities), and unmet needs. This means that the organization's goals inform its objectives, which inform the initiatives undertaken. Decision-makers can then assess the organization's unmet needs based on how well the initiatives addressed the objectives. Finally, organization's leaders can determine how the goals and objectives should be revised based on the met and unmet needs. This concept is depicted below in Figure 1.

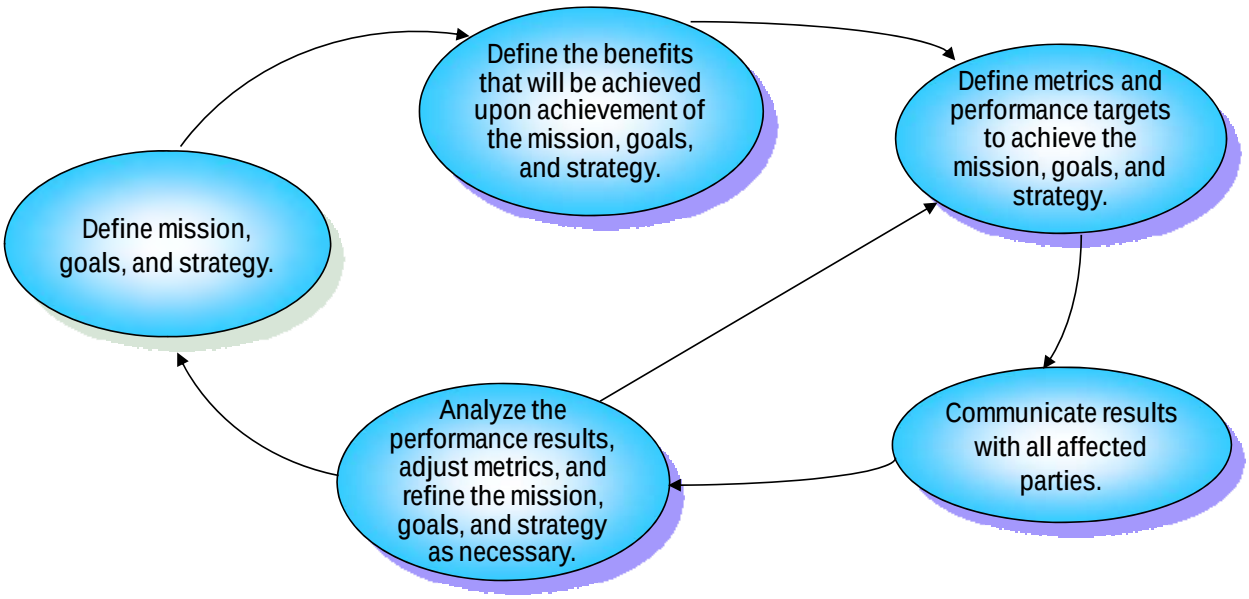
[1] Transportation Cooperative Research Program (TCRP) Report G-11: A Methodology for Performance Measurement and Peer Comparison in the Public Transportation Industry

Figure 1 – Performance Management Framework



Performance *measurement* is a key aspect of the performance *management* framework; it is the structured and systematic assessment of an organization's progress in meeting its goals. Figure 2, shown below, describes how performance measures fit within the performance management framework.

Figure 2 – Performance Measures' Role in Performance Management



Performance measures help the organization's leaders to determine how well the initiatives have addressed the organization's goals and objectives. Measures included in the performance management process may be used by policy makers to decide how funds are allocated or it may be used by managers to evaluate the success of a program. It also gives managers the information needed to re-assess the organization's goals and objectives.

Organizations measure performance for one of the following three reasons:

1. Reporting and regulatory requirements (e.g., for federal grant reporting purposes)
2. Internal decision-making (e.g., for funding priorities, operational improvements, etc.)
3. Stakeholder reporting (interest groups, the public, etc.)

Key attributes of successful performance measures include the following key principles:

- **Linked to goals** – An organization must have established goals to which performance measures can be clearly connected. This allows the activities of the organization to be focused on achieving the goals by improving the performance.
- **Accepted by stakeholders** – Performance measures are only worthwhile if the intended audience agrees.
- **Actionable** – A review of the performance measures should provide some input into organizational strategies and action items. Performance measures are most useful when they are provided within some context. For example, organizations typically compare performance data against comparable peer data, an established target, or against historic data (to assess trends).
- **Credible and timely** – Performance measures should be up-to-date and accurate.
- **Appropriate number of measures** – There is no rule for the number of performance measures; however, the number of performance measures should generally decrease as the audience becomes more removed from the day-to-day operations. So, for example, a maintenance worker will be focused on many more detailed measures (e.g. individual vehicles' age and reliability) while a policy maker will be more interested in a few targeted measures (e.g. the whole agency's on-time performance).

It is important to note that data and statistics gathered by an organization are not informative performance measures unless they follow the principles listed above.

3.0 National and Best Practices

3.1 Overview

State policy makers around the country generally use performance measures to evaluate the following general areas:

1. **Policy and Planning** - States often are involved in state-wide planning efforts, so this may involve inter and intra-modal coordination or policy development. Additionally, the state may communicate with stakeholders by providing accumulated performance measures.
2. **Operations** – Some states are involved in transit agency operations. Even where they are not directly involved in operations, most states are interested in evaluating or tracking agencies' performance or compiling the state's public transportation needs.
3. **Funding**–All states are responsible in the allocation of some federal funding to agencies. However, if state funds are also provided, they need to identify how to allocate those resources between public transportation providers. This allocation varies between states and can be based upon size, performance or to the extent the agencies meet state goals and objectives.
4. **Oversight and Coordination** – States often have interests in promoting regional activities, including joint procurements and/or encouraging seamlessness between different transportation modes and jurisdictions. Additionally, many states require audits or reporting to ensure that the state is complying with policies or funding requirements.

On the other hand, public transportation providers and local/regional transit agencies will frequently use performance measures to meet many other system management and funding decisions tailored to their specific issues or requirements, such as:

1. **Regulatory requirements** – Public transportation providers must often report on performance measures that the federal, state, and local governments require of them. It's important that they track these in order to maximize the funding that those governments may provide to them (e.g., federal formula funds).
2. **External reporting** – As public organizations, public transportation providers are often required to communicate performance for budgeting and reporting purposes or for insurance/liability documentation. Most importantly, transit agencies are in place to serve the public, so there's an expectation of regular communication and reporting to external stakeholders and the public as a whole.
3. **Agency management decisions** – To varying degrees, public transportation providers use performance measures throughout the organization. Measures may be customer oriented (e.g. on-time performance or average speed) or for internal purposes (e.g. mean time between failures). Many agency boards require some level of performance reporting, including measures like farebox recovery ratio and annual ridership. Many transit agencies use performance measures to make service allocation decisions. For

example, they may consider the productivity of a specific bus route to determine whether service levels should be increased, reduced or eliminated.

3.2 Federal Requirements

The federal government requires all transit agencies and ferry systems that receive Federal Transit Administration (FTA) grants under the Urbanized Area Formula Program (5307) or Other Than Urbanized Area (Rural) Formula Program (5311) to submit annual statistics for the National Transit Database (NTD)[2]. Congress established the NTD as a "primary source for information and statistics on the transit systems of the United States." The FTA uses the data for allocation of federal funding, but it is also used for planning and reporting purposes and is accessible to anyone. The information collected includes service area characteristics, operating statistics, and financial summary information.

[2] The National Transit Database can be accessed here: http://www.ntdprogram.gov/ntdprogram/.

Table 1 below shows the types of data included in the NTD.

Table 1– National Transit Database (NTD) Overview

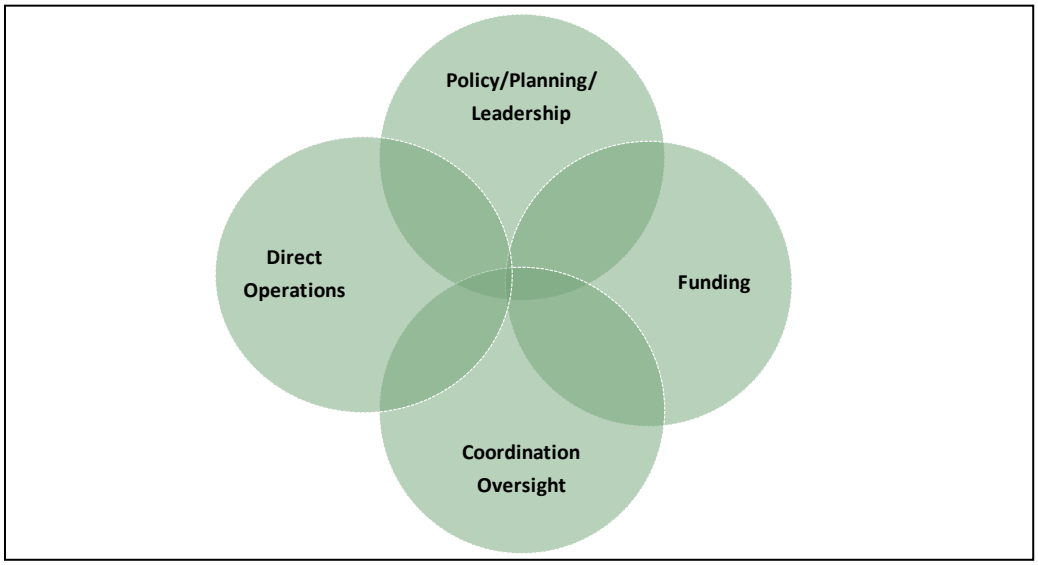
NTD Categories	NTD Statistics
Agency Information	Name Website Address CEO information
General Information	Square mileage Population*
Service Consumption & Service Supplied	Annual passenger miles Annual unlinked trips* Average weekday/Saturday/Sunday unlinked passenger trips Annual vehicle revenue (and non-revenue) miles* Annual vehicle revenue (and non-revenue) hours* Vehicles operated in maximum service Vehicles available for maximum service Fixed guideway directional route miles
Financial Information (total and by mode)	Fare revenues earned* Fare revenues applied to operations Sources of federal/state/local operating funds expended* Summary of operating expenses: • Salaries, wages, and benefits • Materials and supplies • Purchased transportation • Other operating expenses Sources of federal/state/local capital funds expended* Uses of capital funds • Rolling stock • Systems and guideway • Facilities and stations
Modal Information	Average fleet age Peak to base ratio Percent spares
Performance Measures	Operating expense per revenue vehicle mile/hour* Operating expense per passenger mile/trip* Unlinked passenger trip per vehicle revenue mile/hour*

*Indicates that same information also required by the State of Washington currently reported in the Annual Summary of Public Transportation published by the WSDOT.

3.3 Selected State-by-State Experiences

States can play a range of different roles related to public transportation, which implies that their use of performance management will vary accordingly. Figure 3 below shows the mix of potential state roles with regards to public transportation. This mix of roles is more fully described in White Paper #2.

Figure 3 – Mix of Potential State Roles with Public Transportation



However, some states provide significant levels of funding and/or oversight without an established performance management program. This section will highlight a sampling of states and describe both their role and their use of performance management.

3.3.1 Overview

Over time, states have chosen varying levels of involvement in public transportation. Some states, like Maryland and New Jersey, are on one end of the spectrum, being actively involved in both funding and direct operations. These states are the direct owners and operators of transit services, so goals and performance are also measured and assessed at the state level.

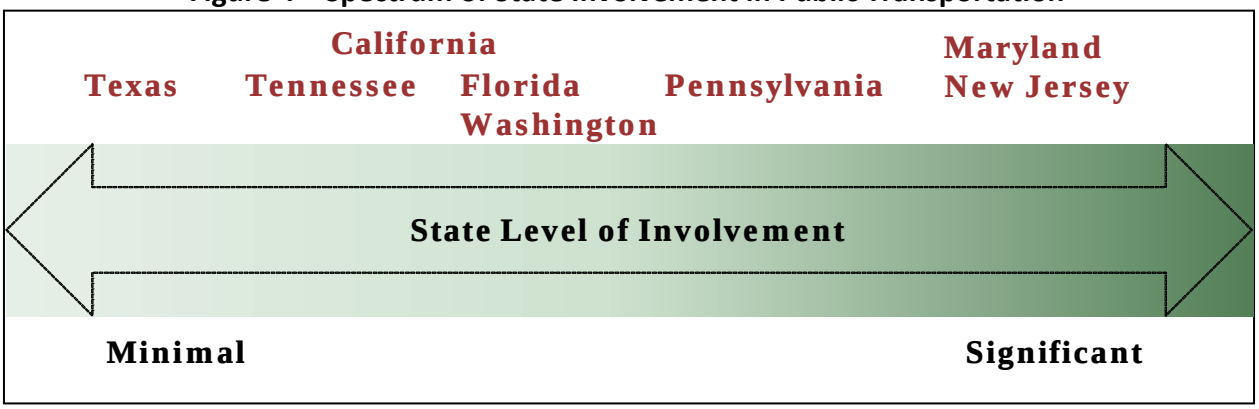
Texas is an example of a state at the other end of the spectrum. Texas passes through federal funds and, like Washington, encourages the formation of local and regional public transit agencies and provides local funding authority. In Texas, transit agencies are the direct owners and operators of the system, so they establish their own policies, raise their own funds and manage their own performance.

Some states, such as California, Florida, and Pennsylvania, vary in the degree of funding, policy setting and operations.

While not scientific, an idea of where some states fall along this spectrum is shown in Figure 3 below. The State of Washington was placed on this continuum for purposes of comparison and discussion. Its placement to the left of middle reflects that:

- Like Maryland and New Jersey, Washington plays a direct and active role in funding and operating the Washington State Ferries and the HOV system;
- Like Texas, Washington plays a very limited role in relation to funding and operating local and regional transit service; and
- Where Washington plays a direct role, it also has more direct oversight (WSF, HOV) and where it plays a limited role, its oversight role is focused on coordination and data reporting.

Figure 4 – Spectrum of State Involvement in Public Transportation



3.3.2 Peer Analysis

Peer analyses are useful tools for any organization seeking to identify how its organization compares to its peers – in strategies, approaches and performance – with the intent of identifying best practices and lessons learned. For this analysis, several representatives from state departments of transportation (DOTs) were interviewed to better understand the range of state roles in public transportation and the use of performance measures.
As part of the peer analysis, the Consultant Team interviewed representatives from seven state DOTs. The analysis followed the process detailed below:

1. Select peers based on identified criteria; peers may have both similar and opposite features to Washington.
2. Develop an interview request (letter) and questionnaire.
3. Schedule, conduct, and document interviews.
4. Analyze information gathered from interviews to assess the relationship between the state's role, public transportation services provided, and performance management practices.

The criteria used to identify potential peer states included:

- Rural/urban mix.
- Level of public transportation service provided.
- Level of service overlap (degree to which more than one agency provides services in same geographic area).
- Level of involvement in providing special needs services.

The Consultant Team worked with the JTC staff to identify those states that reflected the largest mix between these criteria. As a result, seven states were selected for interviews: California, Maryland, Tennessee, Florida, Pennsylvania, New Jersey, and Texas. The following two tables show these states' attributes with regards to the criteria described above. Washington is listed first for purposes of comparison.

Table 2 – Peer States Assessed Against Criteria

State	Rural/Urban Mix	Public Transportation Services	Service Overlap	Special Needs/Services
Washington	Mix of urban and rural	Local and regional bus, commuter and light rail, intercity bus and passenger rail, ferries and HOV system	Significant overlap within urban areas (primarily central Puget Sound)	Paratransit services, human services (public and private), vanpools, demand response
California	Mostly urban; few rural	Local and regional bus, heavy rail, light rail and commuter rail, HOV, intercity passenger rail	Significant overlap within northern and southern regions	Paratransit services, demand response
Maryland	Mostly urban and suburban; few rural	Local and express bus, heavy, light and commuter rail, and HOV	Significant overlap	Paratransit services, human services
Tennessee	Mix of urban and rural	Local and regional bus, rail and intercity bus	Minimal overlap	Paratransit services, vanpools
Florida	Mostly urban	Local and express bus, commuter rail and light rail	Only overlap occurs in Southern Florida	Paratransit and, human services, demand response
Pennsylvania	Mostly rural except 2 urban areas	Local and express bus, heavy, light and commuter rail, shared ride services	Minimal overlap	Paratransit services, human services
New Jersey	Mix of rural and urban	Local and express bus, heavy, light and commuter rail, some HOV and ferries	Significant overlap	Paratransit services, human services, demand response, vanpools
Texas	Mix of rural and urban	Local and express bus, light rail commuter rail	Minimal overlap	Paratransit services

Members of the Consultant Team then conducted interviews by phone with one or more representatives from each of these organizations discussing a list of standardized questions which had been provided in advance. These questions focused on the level and type of public transportation services in the state, state policies and performance measures, and reflections on lessons learned for Washington. The full questionnaire is provided in Appendix II.

Summary of Key Peer Analysis Findings

The following section provides an overview of the peer states' roles with regards to transportation and then describes the performance measures and management processes used by each of the states. Washington is included in all of these findings for the purposes of comparison.

As shown in Table 3, the peer states' role with regards to public transportation varies significantly.

- **Operations**: Maryland and New Jersey are the only two states directly involved in the operations of all public transportation services. Some of the states directly operate intercity passenger rail service. However, most of the states are generally not involved in local transit agencies' operations. In comparison, Washington is directly involved in funding and operating the Washington State Ferries and HOV systems but is not involved in operating transit services.
- **Funding:** While the table shows many of the states as funders of public transportation, the level of investment varies significantly. For example, the State of Maryland (as a direct operator of all public transportation services) allocates 35% of its transportation capital funding to public transportation and 53% of its transportation operations funding to public transportation. The State of New Jersey falls in a comparable range. On the other hand, Texas, which plays a relatively "hands-off" role, dedicates approximately 1% of its transportation budget to public transportation. In comparison, Washington funds the state ferry and HOV systems, but is more like Texas in the level of funding that it provides to transit (averaging about $40 to $50M per biennium).
- **Policy & Planning**: Many of the states have policies in places to support multi-modal planning and coordination. Additionally, most states are required to develop state-wide transportation and/or mobility plans; however, only some of the states have developed public transportation-related policies. For example, California's transportation investments are driven by two legislative policies; one is focused on greenhouse gas reduction and the other is focused on multi-modal planning as it pertains to land use. Maryland has many policies in place for smart sites programs, stronger transit coordination, and transit oriented development. In comparison, as was shown in White Paper #2, Washington has broad policies related to and/or affecting public transportation.
- **Oversight & Coordination**: While many states encourage and/or are involved in coordination, the level of state oversight varies significantly.

- *Coordination*: Most of the states provide some level of coordination, whether it be through joint procurement programs (Florida and California), coordination between the high speed rail program and local agencies (California and Tennessee), or through coordination with bordering states (Tennessee). Washington plays a comprehensive and ongoing coordination role through the WSDOT Public Transportation Division, in particular in rural and special needs transportation areas.
- *Oversight*: States like Maryland and New Jersey, which operate the public transportation systems, provide significant oversight. New Jersey develops a planning document every four years that must be presented to the State legislature and Maryland develops its Transportation Plan and Annual Attainment report annually. Florida requires that all of the public transit agencies develop TDPs every five years, and Pennsylvania requires annual audits. Washington provides considerable oversight of the systems it directly funds and/or operates, specifically the ferries, the HOV system and intercity rail. Conversely, it plays a limited oversight role for transit.

Table 3 – Peer States' Roles with Regards to Public Transportation

State	Operations	Funding	Policy & Planning	Oversight & Coordination	Notes
Washington	*	*	●	●	* Washington funds and operates the state's HOV system, the ferry services, and intercity passenger rail (Cascades). It provides some grant funds (as described in White Paper #2). Otherwise it is not involved in regional or local transit agencies' operations and funding.
California	*		●		* California operates Caltrain, an intercity rail service, and partners with Amtrak on three additional routes. Otherwise, it is not involved in transit agencies' operations.
Maryland	●	●	●	●	
Tennessee		●	●	●	
Florida	*	●		●	* Florida is developing SunRail, a commuter rail project in Central Florida. The state will operate it for the first 7 years.
Pennsylvania		●		●	
New Jersey	●	●	●	●	
Texas			●	●	

The Consultant Team asked each state's interviewee(s) what performance measures, if any, are tracked by the state and how those performance measures are used.

Table 4 – Summary of State's Performance Measures

State	State Transportation Goals	Key Public Transportation Performance Measures
California	• Improve mobility and accessibility • Preserve the transportation system • Support the economy • Enhance public safety • Enhance transportation system security • Connect transportation and land use planning • Enhance the environment and conserve environmental resources[3]	• Greenhouse gas legislation requirements resulting from AB 32 mandate GHG emission caps to reduce emissions by 25% in 10 years
Florida	• A safer and more secure transportation system for residents, businesses, and visitors • Enriched quality of life and responsible environmental stewardship • Adequate and cost-efficient maintenance and preservation of Florida's transportation assets • A stronger economy through enhanced mobility for people and freight • Sustainable transportation investments for Florida's future[4]	• Growing transit ridership at twice the rate of population growth • Other operational statistics are monitored, such as revenue hours and revenue miles
Pennsylvania	• Move people and goods safely and securely. • Improve quality of life by linking transportation, land use, economic development, and environmental stewardship. • Develop and sustain quality transportation infrastructure. • Provide mobility for people, goods, and commerce. • Maximize the benefit of transportation investments.[5]	• Cost per hour • Passengers per hour • Cost per passenger • Operating revenue per hour
Tennessee	• Increase transportation system safety • Address customer needs and priorities • Maximize and manage resources • Develop workforce capabilities and capacity[6]	• Increased ridership
New Jersey	• Maintain and renew the transportation infrastructure • Integrate transportation and land use planning • Increase safety and security • Improve mobility, accessibility, reliability	• On-time performance • Safety figures • Capital expenditures

[3] http://www.dot.ca.gov/hq/paffairs/about/mission.htm
[4] http://www.dot.state.fl.us/planning/FTP/goals.pdf
[5] http://www.pamobilityplan.com/
[6] http://www.tdot.state.tn.us/osp/pdfs/strategicplan2008.pdf

State	State Transportation Goals	Key Public Transportation Performance Measures
	• Operate efficiently • Respect the environment • Optimize freight movement • Continue to improve agency effectiveness[7]	
Maryland	• Quality of service • Safety and security • System preservation and performance • Environmental stewardship • Connectivity for daily life[8]	• Percent of service provided on time • Revenue versus operating expenses • Transportation-related greenhouse gas emissions • Average weekday transit ridership
Texas	• Reduce congestion • Enhance safety • Expand economic opportunity • Improve air quality • Preserve the value of transportation assets	• Percentage change in the number of public transportation trips • Administration and support costs as a percent of grants expended

[7] http://www.state.nj.us/transportation/works/njchoices/pdf/2030plan.pdf
[8] http://www.mdot.maryland.gov/Planning/Maryland_Transportation_Plan/Goals.html

4.0 Application to Washington State

4.1 Current Use of Performance Measures

As described in White Paper #2, Washington's role can be summarized as follows:

"The state currently serves several roles in public transportation. The state has an active role in setting policy and providing authorization for the provision of public transportation services. In addition, the state provides a planning function through the Washington Transportation Plan (WTP) policies and strategies, along with other policy goals related to growth management, traffic congestion, and greenhouse gases that were established by the State Legislature and/or the Governor. The State is also a direct funder and operator of public transportation services through its ownership and management of areas such as the high occupancy vehicle (HOV) lanes and state ferry system. In addition, the State provides funding for and/or contracts for the operation of intercity bus and rail services."

Additionally, the state's established transportation goals are as follows:

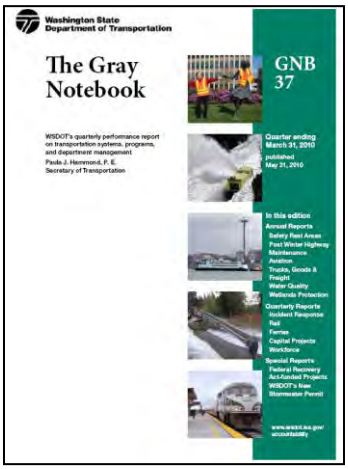
- **Economic Vitality**: To promote and develop transportation systems that stimulate, support, and enhance the movement of people and goods to ensure a prosperous economy
- **Safety**: To provide for and improve the safety and security of transportation customers and the transportation system;
- **Preservation**: To maintain, preserve, and extend the life and utility of prior investments in transportation systems and services;
- **Mobility**: To improve the predictable movement of goods and people throughout Washington;
- **Environment**: To enhance Washington's quality of life through transportation investments that promote energy conservation, enhance healthy communities, and protect the environment; and
- **Stewardship**: To continuously improve the quality, effectiveness, and efficiency of the transportation system.

4.1.1 State Reports

The State produces or requires the following reports that contain statistics on the services being provided and, in some cases, identify performance criteria related to specific state goals:

- The Gray Notebook (WSDOT)
- Transit Development Plans (transit agencies)
- The Washington State Summary of Public Transportation (WSDOT)
- Biennial Transportation Progress Report (Office of Financial Management)

Each is described in more detail below.



The **Gray Notebook**[9] is a performance report that the WSDOTprepares on a quarterly basis. It provides performance information on the state's transportation systems, programs, and department management with a focus on highways, aviation, ferries, and freight. The Gray Notebook is recognized nationally as a "best practice" with regards to its clear link between state goals, performance measures, and the State's policy and funding decisions. Information collected and reported in the Gray Notebook is connected to the State's strategic planning efforts, target setting, identification of improvement opportunities, and the budgeting process. For example, for the state goal of "Mobility," the State tracks ferry information such as ridership, reliability, and farebox revenue metrics in the Gray Notebook. Currently, reporting on public transit measures in the Gray Notebook is limited; however, this is because it focuses on the transportation programs and modes in which the State plays a much more active funding, operational and/or coordination/oversight role.

Transit Development Plans (TDPs)[10] are state-mandated reports that transit agencies are required to develop and submit annually. TDPs include current year system information, planned capital improvements, operating changes, and a six-year funding plan. They include how the agency intends to meet state and local long-range planning priorities, and they also have a *narrative* description of the agency's performance towards the agency's goals. The State uses TDPs for the purposes of coordinating between local agencies, regional and state-wide planning, educating and communicating to elected officials and the public, and for marketing and reporting. In other words, because the State does not play a significant role in setting policies or in providing direct funding to transit agencies, the State does not explicitly use TDPs in the same way it uses the Gray Notebook.

Every year, the State (WSDOT Public Transportation Division) compiles the TDP information and federal NTD data into a report called the "**Summary of Public Transportation**." This report includes a state-wide summary and transit agency profiles regarding operating characteristics, services, and achievements. It also presents summary statistics, prepared by WSDOT, grouped by community size (rural, urban, and small urban). The purpose of this summary report is to provide information and communicate performance to transit providers, the Legislature, local and regional governments, and the public. While this provides a substantial amount of summary and local performance data, it does not link

[9] The current and past Gray Notebooks can be found here: http://www.wsdot.wa.gov/accountability/graynotebook/default.htm.
[10] Most transit agencies TDPs can be found on their websites. The legislative guidance can be found here: http://apps.leg.wa.gov/rcw/default.aspx?cite=35.58.2795.

performance to any state-wide goals or seem to drive any policy-setting or decision-making.

Transportation Progress Report: Washington State Transportation Goals, Objective and Performance Measures. This relatively new biennial report has identified key performance measures as they related to the state's transportation goals and objectives. Beginning in 2008, the Office of Financial Management (OFM) was given the responsibility for establishing objectives and performance measures for the state's transportation goals, and for preparing a biennial progress report (also referred to as an "attainment report") for the Legislature and Governor (per RCW 47.01.071 (5)). The purpose of these reports is to assess progress toward the state's goals and to contribute to the overall performance of the transportation system. Rather than report on agency-specific performance, the focus is on overall system performance.

In January 2008, OFM submitted initial proposed objectives and performance measures to the Legislature in a baseline report. The objectives and measures were developed with input from transportation agencies, stakeholders and the Legislature. In some cases, "placeholders" indicate that specific measures have yet to be developed. A baseline was established for each measure and an assessment was made as to whether performance was improving/holding or if it is not improving and is an area of concern. The report also provides a narrative on each goal and measure describing what is being done, current trends and, in some cases, how the measure can be improved. The report includes some measures related public transportation. The table below highlights the measures currently included in the report that either directly or could be used to inform public transportation progress.

Table 5 – Current Measures in OFM Report Related to State Transportation Goals

State Transportation Goal	Current Measures related to Public Transportation
Safety	• None
Preservation	• Ferry Vessels and Terminals - % of state ferry terminals in fair or better condition
Mobility	• HOV and HOT Lanes – TBD • Commute Modes - % of commute trips taken while driving alone • Ferries - % of trips on time and ridership • Passenger Rail - % of trips on time and ridership on state-supported Amtrak Cascades service • Transportation-Efficient Land Use - TBD
Environment	• Air Quality – Tons of greenhouse gases produced statewide
Stewardship	• Tolling – TBD
Economic Vitality	• Goal recently t added – measures TBD

Also, many of **Washington State's programs and policies** have established goals and associated performance measures. For example, the Commute Trip Reduction Program[11] tracks the

[11] Commute Trip Reduction Program information can be found here: http://www.wsdot.wa.gov/TDM/CTR/overview.htm#goals

percentage of people who drive alone, the number of vehicle trips each weekday morning, and peak travel delay. Similarly, the Green House Gas (GHG) Emissions Reduction program[12] completed a greenhouse gas emissions inventory to identify ways to reduce emissions. This was in support of Washington's "Environmental Stewardship" goal. All of these programs are described in more detail in White Paper #2.

Finally, Washington strongly promotes and plays an active role in coordination of **special needs transportation services.** However, the program goals are not clearly tied to any specific performance measures. In 1998, the Agency Council on Coordinated Transportation (ACCT) was created by the Washington State Legislature to coordinate affordable and accessible transportation choices for people with special needs in collaboration with state and local agencies and organizations. In 2006, ACCT conducted a study to identify opportunities and challenges for special needs transportation. One of the findings stated: *"Performance measures should be developed and implemented … measures will help inform and drive policy decisions and they will demonstrate the benefits of coordination."*

Table 6 provides an overview of the performance measures and the data currently collected and communicated in Washington State related to public transportation. It highlights examples of the types of performance measures and data requirements of public transportation systems and agencies at the federal, state, and local levels.

Table 6 – Overview of Public Transportation Organizations' Performance Measure/Data Requirements

Public Transportation System	Federal, State, and/or Local Requirement	Sample of Performance Measures & Data Requirements
Ferries	**State** (Gray Notebook)	Service reliability Life cycle assessment Condition assessment Ridership Farebox recovery ratio Customer feedback Project delivery (scope, schedule, and budget) Workforce measures (total counts, training completed)
Vanpools	**State** (Gray Notebook)	Number of vanpools Vanpools per vehicle miles travelled (VMT)
Amtrak Cascades Passenger Rail Service	**State** (Gray Notebook)	Service reliability Ridership Farebox recovery ratio

[12] Washington State's Climate Change information can be found here: http://www.wsdot.wa.gov/Environment/ClimateChange/stewardship.htm

Public Transportation System	Federal, State, and/or Local Requirement	Sample of Performance Measures & Data Requirements
Transit Agencies	**State** (TDPs and Annual Summary Report) and Federal (NTD)	Passenger trips/revenue vehicle mile Passenger trips/revenue vehicle hour Operating costs/revenue vehicle hour Operating costs/revenue vehicle mile Operating costs/passenger trip Operating cost/total vehicle hour Revenue vehicle hours/total vehicle hours Revenue vehicle miles/revenue vehicle hour Revenue vehicle hours/total vehicle hours Revenue vehicle miles/revenue vehicle hour Fatalities, injuries, collisions Farebox recovery ratio
Transit Agencies ***Note these are not required by the State and vary by agency***	**Local/Regional**	Project delivery (scope, schedule, budget) Farebox recovery Service reliability Daily boardings Passengers/trip Passengers/revenue hour Customer complaints Preventable accidents/revenue mile

The distinction between performance measures and data is important. The measures in the Gray Notebook are used in the State's strategic planning efforts, target setting, identification of improvement opportunities, and the budgeting process, so these are truly performance measures. On the other hand, data collected for the NTD and TDPs are not actually used for managing performance.

5.0 Major Findings and Key Questions

5.1 Major Findings

What have we learned that will impact future use of performance measures for public transportation in Washington State? Based upon comparison of national and best practices to the current experience in Washington State, the following conclusions can be drawn:

Performance management is a process that allows an organization's leaders to make informed decisions, communicate successes, and revise or develop new policies/programs

- A performance management process is cyclical; the organization's goals and met/unmet needs should be continuously re-evaluated based on how successfully objectives were met.
- The attributes of successful performance measures include the following key principles: they are linked to goals, they are accepted by stakeholders, actionable, and they are credible and timely.
- State policy makers generally use performance measures for the following purposes: policy and planning, operations, funding and/or coordination and oversight.

To the degree a state plays a role in public transportation, performance measures should be clearly tied to a state's goals and its role

- A state's goals should reflect what its policy leaders seek to accomplish.
- The performance measures should provide the means for assessing how successful the agency is at meeting those goals.
- If a performance measure is not obviously tied to a specific goal, then either the performance measure or the goal needs to be re-assessed.

Washington's current use of performance measures are generally aligned with its current roles in public transportation

- In some areas, Washington plays a direct and active role in public transportation. Specifically, where the state sets policies and directly conducts planning activities and funds and operates systems, such as the HOV, state ferry, and intercity passenger rail (Cascades) systems, it has a robust performance management approach. Specifically, the state has established performance measures that align with its transportation goals. These measures are then reviewed and communicated regularly to inform investment decisions and provide accountability to the government and citizens.
- Where the State has major policies that relate to public transportation and, to some extent, rely on it to achieve policy objectives, many of the programs have established goals and associated performance measures. This includes the Commute Trip Reduction Program and the HOV system in the Puget Sound region.

- Data and performance measures relating to special transportation services appears to be somewhat limited (although public transit provision of paratransit services is reported in the TDPs and in the Annual Summary Report).
- Washington plays a much more limited role in relation to transit, primarily focused on planning and oversight, and so the data requirements associated with transit are used primarily for planning and reporting purposes (i.e., not for performance management and/or funding purposes).

Washington transit agencies currently submit statistics at the federal, state, and local levels.

- Federal - The federal government requires all transit agencies that receive Federal Transit Administration (FTA) grants under the Urbanized Area Formula Program (5307) or Other Than Urbanized Area (Rural) Formula Program (5311) to submit annual statistics for the National Transit Database (NTD).
- State –Transit agencies are required to report summary data on an annual basis in Transit Development Plans (TDP's). WSDOT then prepares summary data in its Annual Summary of Public Transportation Report. This data is not used by the state as a measure of performance.
- Local – The use of performance measures by transit agencies varies significantly. However, many typically develop performance measures for use by their Boards and executives and for reporting to local constituents.

While there is a significant amount of *data* being collected and reported on transit, the State does not use it in any systematic way for measuring how transit contributes to State goals and/or for policy/funding decisions.

Other states' use of performance measures is generally consistent with their established levels of involvement in public transportation.

- States fall on a spectrum ranging from being actively involved in funding and operating public transportation to minimal involvement and authorizing local level planning, funding, and oversight.
- Not all states use performance measures to actively manage public transportation systems and/or for funding allocation purposes.

From a federal perspective, the data collected through the NTD provides a backdrop on the types and levels of transit services and facilities across the nation. To some extent the collection of this information also provides transit agencies with data to allow for an informed comparison based upon their individual agency needs. However, it is important to note that these comparisons must be done with care and cannot be done without a good understanding of the local context. For this reason FTA only uses some information to allocate formula funding based upon the size of individual systems.

As at the national level, similar comparison issues between agencies are also seen at the state level. As a result, most states do not use data in the specific allocation of funding. Of the states interviewed, only Florida and Pennsylvania use data for funding decisions. The data currently collected by the state through TDP's could also be collected from the NTD. This would reconcile different reporting cycles and provide a consistent data source to be used at the federal, state and local levels.

Washington State is seen as a leader in performance management particularly through the use of the Gray Notebook. The Biennial Transportation Progress Report (Progress Report) also provides an excellent example of how the State is using performance measures for assessing progress in meeting Washington's transportation goals. As noted earlier, some measures already exist related to public transportation systems operated by the State (e.g., Washington State Ferries, Amtrak Cascades).

5.2 Key Questions

Using the information above, and the Biennial Transportation Progress Report as a framework, there are ways to refine and perhaps refocus the performance management process for public transportation in Washington. The principal issue is **"How should the State use a comprehensive yet more focused set of performance measures for setting policy, allocating its resources and establishing funding priorities for public transportation?"**

In September, 2010, the Public Transportation Advisory Panel will be considering these questions as they continue to consider the State's role in public transportation. In considering these questions, it is important to keep in mind two principles that have been consistently emphasized throughout this study process:

- *Effective* performance management and measurement requires a *linkage* between the transportation *goals* of the state, the *services* provided to meet those goals, and an effective set of *measures* to determine if those goals are being achieved.

- How those measures are ultimately used links back to the *role* the state ultimately plays in the provision of those services.

    1. **Given the diversity of emerging needs in the state – and the broad range of services provided – how can the state refocus on those elements of the public transportation system that are critical for achieving the state's policy goals?**
        - What are the state's most critical public transportation objectives as they pertain to its goals?
        - How do special needs, private and non-profit providers help achieve the state's goals?
        - What role do transit agencies play in meeting state goals?

2. **Given the volume of data that is collected and reported, what are the most appropriate measures for assessing how the public transportation system is meeting state goals?**
   - Measures are already being reported on the performance of state funded and operated services and programs (e.g., WSF, Cascades). Are these the right measures? Should they be enhanced? Should there be fewer measures?
   - The State collects and reports a significant amount of data and information on transit agencies but does not explicitly link the information to state goals or to policy decisions and funding priorities. What are the most important outcomes to the state as they relate to its goals? How does transit contribute to those goals?
   - Given the limited role that the state plays in public transit, to what extent should it measure transit performance? Should this change in the event that the state plays a larger funding role in the future?
   - What are the most important outcomes to the state as they relate to public transportation? What measures would most effectively assess those outcomes?
     - A minimum, base level of *mobility* and *access* to public transportation services across the state?
     - People-carrying *capacity* in the state's most congested travel corridors?
     - *Connectivity* between systems and modes?
     - The *cost* of providing services? *Cost-effectiveness*?
     - Extent to which public transportation helps achieve *environmental objectives,* such as reducing GHG emissions?
     - Extent to which public transportation helps achieve economic goals?

3. **What sources of information should be used? How will information be collected?**
   - Should targets be established? Should peer analyses occur?
   - Should the state streamline the process and perhaps use NTD data for transit reporting given the similarity of data collected?
   - Should other data collected by transit agencies for local decision-making purposes be collected?
   - Should there be more data collected on special needs services provided by non-profit organizations?
   - Should there be special reports by transit agencies on contracted services and private carrier services?
   - For long-range policy and planning purposes, should the state collect more consistent data on emerging and projected needs?

4. **How should information on the state's public transportation system be reported and used?**
   - Does the OFM Progress Report provide an appropriate vehicle for reporting performance measures for public transportation as they relate to state goals?
   - Should more performance measures be included in the Gray Notebook?
   - What additional resources might the State need in order to oversee its performance management program?

6.0 Interviews and Sources

6.1 Peer Interview Contacts

Agency	Contact Name ad Title
New Jersey Transit	Mr. James Weinstein, Executive Director, NJ TRANSIT Steve Santoro, Executive Director's Office Rich Roberts, Executive Director's Office
Maryland DOT	Michelle Martin, Senior Planner, Office of Capital Planning Mike Haley, Office of Capital Planning
Tennessee DOT	Paula Shaw, Director of Multimodal Transportation Resources Sherry Carroll, Research and Development and Reporting
Texas DOT	Eric Gleason, Public Transportation Division Director Bobby Killebrew, Public Transportation Division
Pennsylvania DOT	Toby Fauver, Deputy Secretary for Public Transit
Florida DOT	Ed Coven, Manager of the State's Public Transit Program
California DOT	Marty Tuttle, Deputy Director for Planning and Modal Programs

6.2 Peer Analysis Questionnaire

Interviewee Information

Name:

Agency/Organization:

Position/Title:

Date:

Phone:

Email:

Note: For the purposes of this project, "public transportation" includes traditional public transit, in addition to intercity passenger bus and rail where public funding is involved, passenger ferries, and special services.

General Information

Describe the nature of the state that your DOT serves: urban versus rural, population demographics, etc.	
What is the state's most recent annual transportation budget? How much of that was dedicated to public transportation, if any?	
Describe the level and type of public transportation services provided in your state. Include the number and types of agencies, modes, and any state operated systems. Are there any useful reports or plans you might be able to share? Do these services overlap?	

State Role Information

How would you describe the States role in general – an active funder/provider, an enabler (through legislation, coordination and/or taxing authority), or a more passive role? What is the state's role in monitoring and oversight?	
What role do private providers play in your state, including services provided directly by employers?	
Policy and Planning	
Can you provide us with the major policy goals that drive your public transportation program? Is public transportation provided and evaluated separately from the state's other transportation programs?	
How does your state address the needs of both large metropolitan areas and rural communities?	
How, if at all, does your state link land use and the	

provision of public transportation?	
State-Sponsored Operations	
What is your state's role in public transportation operations?	
What interest does the state take in providing infrastructure to support public transportation (i.e. park and ride lots, HOV and transit lanes, Commute Trip Reduction or HOT lane programs, and intermodal connections)?	
Funding	
How, if at all, is the state involved in public transportation funding? What is the state's relative contribution to transit funding, versus other sources, and is it increasing or decreasing over time?	
Is there a dedicated or discretionary funding stream? What is/are the capital and operating funding source(s) and how are they allocated (per capita, need-based, performance-based, etc)?	
How, if at all, is your state addressing the short-term financial and economic crisis while still planning for the long-term?	
Oversight and Coordination	
Does your agency/organization identify and compile the public transportation needs in the state? If so, how is this measured? How often?	
Are any performance measures/targets required? If so, what are they? This could include farebox recovery requirements, private contracting requirements, etc. Are they tied to funding? How are these reported?	
How, if at all, is the state involved in promoting interagency and inter-modal coordination?	
Lessons Learned/Looking Forward	
What lessons could the state of Washington learn based on the role of your state with regards to public transportation?	
Is your state exploring new initiatives or new policy directions related to public transportation? Are those tied to other state transportation goals and objectives?	

6.3 Sources

The following information sources provided best practice information regarding performance management and public transportation:

Transportation Cooperative Research Program Report G-11: A Methodology for Performance Measurement and Peer Comparison in the Public Transportation Industry, 2010.

Transportation Cooperative Research Program Report 88: A Guidebook for Developing a Transit Performance-Measurement System, Washington DC, 2003.

Transportation Cooperative Research Program Research Results Digest 95, Performance Measurement and Outcomes, 2009

The following Washington reports and guidance are referenced in the discussions on performance management in the State:

The Gray Notebook: A quarterly performance report on state transportation programs. http://www.wsdot.wa.gov/accountability/graynotebook/default.htm

Transit Development Plans (TDP's) and longer-range transit plans where available (submitted in 2010 and 2009): The TDP's, submitted annually to WSDOT, provide comprehensive information on projected programs and funding levels. While the plans are financially constrained, some do provide indicators of potential and funding shortfalls and related program issues. (For more information regarding TDP's, please see the white paper prepared for Task 2 – The State Role in Public Transportation.)

Summary of Public Transportation Report (2007): A summary report providing key information collected through transit agency TDP's. *(For more information regarding this annual report, please see the above referenced white paper.)*

Transportation Progress Report: The State of Washington's Transportation System. Washington State Transportation Goals, Objectives, and Performance Measures – 2008 Biennial Report. http://www.wsdot.wa.gov/NR/rdonlyres/9051CAC0-EB3A-402B-ADB7-407E984268D1/0/2008_Attainment_Report.pdf

Numerous Department of Transportation contacts around the country. See Appendix I.

Transit Profile: All Transit Agencies for the 2008 Report Year. National Transit Database; Federal Transit Administration. http://www.ntdprogram.gov/ntdprogram/pubs/profiles/2008/Transit%20Profiles_All%20Transit%20Agencies.pdf

Appendix E
Peer Analysis Summary Report

State Role in Public Transportation

Peer Analysis Summary Report

Performance Management Overview

The peer analysis represents one step of the task aimed at developing efficiency and accountability measures. Performance management is an important area within this topic. State policy makers around the country generally use performance measures to evaluate the following general areas:

1. **Policy and Planning** - States often are involved in state-wide planning efforts, so this may involve inter and intra-modal coordination or policy development. Additionally, the state may communicate with stakeholders by providing accumulated performance measures.
2. **Operations** – Some states get involved in transit agencies' operations; however, most states are interested in evaluating or tracking the agencies' performance, assessing employee satisfaction, or compiling the state's public transportation needs.
3. **Funding**–All states are responsible to pass-through some level of federal funding to agencies. However, if state funds are also provided, they need some basis for how to allocate that funding to the public transportation providers. States may choose to allocate more funding to agencies that have low performance and need to improve, or they may reward agencies with additional funding if they have improved performance measures.
4. **Oversight and Coordination** – States often have interests in promoting regional activities, including joint procurements and/or encouraging seamlessness between different transportation modes and jurisdictions. Additionally, many states require audits or reporting to ensure that the state is complying with policies or funding requirements.

On the other hand, public transportation providers and local/regional public transit agencies will frequently use performance measures to meet many other system management and funding decisions tailored to their specific issues or requirements, such as:

1. **Regulatory requirements** – Public transportation providers must often report on performance measures that the federal, state, and local governments require of them. It's important that they track these in order to maximize the funding that those governments may provide to them (e.g., federal formula funds).
2. **External reporting** – As public organizations, public transportation providers are often required to communicate performance for budgeting and reporting purposes or for insurance/liability documentation. Most importantly, public transit agencies are in place to serve the public, so there's an expectation of regular communication and reporting to external stakeholders and the public as a whole.

3. **Agency management decisions** – To varying degrees, public transportation providers use performance measures throughout the organization. Measures may be customer oriented (e.g. on-time performance or average speed) or for internal purposes (e.g. mean time between failures). Many agency boards require some level of performance reporting, including measures like farebox recovery ratio and annual ridership. Many transit agencies use performance measures to make service allocation decisions. For example, they may consider the productivity of a specific bus route to determine whether service levels should be increased, reduced or eliminated.

Process and Decision Criteria for Choosing Peers

As part of the peer analysis, the Consultant Team interviewed representatives from seven state DOTs. The process for this effort is detailed below:

1. Select peers based on identified criteria; peers may have both similar and opposite features to Washington.
2. Develop an interview request and questionnaire.
3. Schedule, conduct, and document interviews.
4. Analyze information gathered from interviews to assess the relationship between the state's role, public transportation services provided, and performance management practices.

The criteria used to identify potential peer states included:

- Rural/urban mix.
- Level of public transportation service provided.
- Level of service overlap (degree to which more than one agency provides services in same geographic area).
- Level of involvement in providing special needs services.

The Consultant Team worked with the JTC staff to identify those states that reflected the largest mix of these criteria. As a result, seven states were selected for interviews: California, Maryland, Tennessee, Florida, Pennsylvania, New Jersey, and Texas.

Members of the Consultant Team then conducted interviews by phone with one or more representatives from each of these organizations discussing a list of standardized questions which had been provided in advance. These questions focused on the level and type of public transportation services in the state, state policies and performance measures, and reflections on lessons learned for Washington.

How States Matched Decision Criteria

The peer analysis was conducted with the intent of including states that matched Washington's characteristics, along with states that had opposite characteristics. Washington provides a mix of urban and rural public transportation services, including commuter and light rail, bus,

intercity bus and passenger rail, ferries and HOV lanes. There is significant service overlap within urban areas. Special needs service is readily available in the form of paratransit services, human services (public and private), vanpools, and demand response.

Most states offered a mix of urban and rural services, although California, Maryland, and Florida provided a perspective on services that were primarily urban-focused and Pennsylvania reported on mostly rural service. California, Maryland, New Jersey, and Florida (to some extent) have systems with significant service overlap; alternatively, Tennessee, Pennsylvania, and Texas have minimal overlap. All states were on par with special needs services, generally offering both paratransit and human services.

Summary of Key Findings

States can play a range of different roles related to public transportation, which implies that their use of performance management can vary accordingly. Indeed some states provide significant levels of funding and/or oversight without an established performance management program.

Some states, like Maryland and New Jersey, are on one end of the spectrum, being directly involved in both funding and direct operations. These states are the direct owners and operators of transit services, so goals and performance are also measured and assessed at the state level.

Texas is an example of a state at the other end of the spectrum. Texas passes federal funds through and, like Washington, encourages the formation of local and regional public transit agencies and provides local funding authority and accountability. In Texas, transit agencies are the direct owners and operators of the system, so they establish their own policies, raise their own funds and measure and manage their own performance.

Some states, such as California, Florida, and Pennsylvania, vary in the degree of funding, policy setting and operations.

The peer states' roles with regards to the four areas of emphasis vary significantly:

- **Operations**: Maryland and New Jersey are the only two states directly involved in the operations of all public transportation services. Some of the states directly operate intercity passenger rail service. However, most of the states are generally not involved in local transit agencies' operations.
- **Funding**: While the table shows many of the states as funders of public transportation, the level of investment varies significantly. For example, Maryland (as a direct operator of all public transportation services) allocates 35% of its transportation capital funding to public transportation and 53% of its transportation operations funding to public transportation. New Jersey falls in a comparable range. On the other hand, Texas,

which plays a relatively "hands-off" role, dedicates approximately 1% of its transportation budget to public transportation.

- **Policy & Planning**: Many of the states have policies in places to support multi-modal planning and coordination. Additionally, many states are required to develop state-wide transportation and/or mobility plans; however, only some of the states have developed public transportation-related policies. For example, California's transportation investments are driven by two legislative policies; one is focused on greenhouse gas reduction and the other is focused on multi-modal planning as it pertains to land use. Maryland has many policies in place for smart sites programs, stronger transit coordination, and transit oriented development.
- **Oversight & Coordination**: While many states encourage and/or are involved in coordination, the level of state oversight varies significantly.
    - Coordination: Most of the states provide some level of coordination, whether it be through joint procurement programs (Florida and California), coordination between the high speed rail program and local agencies (California and Tennessee), or through coordination with bordering states (Tennessee).
    - Oversight: States like Maryland and New Jersey, which operate the public transportation systems, provide significant oversight. New Jersey develops a planning document every four years that must be presented to the State legislature and Maryland develops its Transportation Plan and Annual Attainment report annually. Florida requires that all of the public transit agencies develop TDPs every five years, and Pennsylvania requires annual audits.

Peer States' Goals and Performance Measures

The Consultant Team asked each state's interviewee(s) what state transportation goals exist and what performance measures, if any, are tracked by the state.

There is surprisingly little overlap in state transportation goals. Some of the goals mentioned more than once include:

- Improve mobility and accessibility through quality of service
- Linking transportation, land use, economic development, and environmental stewardship
- Supporting/strengthening the economy
- A safer and more secure transportation system
- System preservation and performance

Key public transportation measures also came with little overlap between states. The performance measures mentioned by our interviewees are summarized in the following table.

Summary of State's Performance Measures

State	Key Public Transportation Performance Measures
California	• Greenhouse gas legislation requirements resulting from AB 32 mandate GHG emission caps to reduce emissions by 25% in 10 years
Florida	• Growing transit ridership at twice the rate of population growth • Other operational statistics are monitored, such as revenue hours and revenue miles
Pennsylvania	• Cost per hour • Passengers per hour • Cost per passenger • Operating revenue per hour
Tennessee	• Increased ridership
New Jersey	• On-time performance • Safety figures • Capital expenditures
Maryland	• Percent of service provided on time • Revenue versus operating expenses • Transportation-related greenhouse gas emissions • Average weekday transit ridership
Texas	• Percentage change in the number of public transportation trips • Administration and support costs as a percent of grants expended

Conclusion

The information gathered from this peer analysis has helped to inform both the task related to efficiency and accountability measures and the overall final report with recommendations regarding the state role in public transportation. This final report will bring together all the research, information and recommendations developed in the previous tasks into a summarized report for the Joint Transportation Committee and Advisory Panel. Included in the final report will be highlights of the major assumptions, policy issues, conclusions and recommendations that are identified as a result of this process. These elements will inform potential changes in the state's overall participation in and oversight of public transportation. The report will provide a targeted and concise summary of the state's current role and recommendations for legislators to consider.

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