
Targeted Transportation Budget Instruction Responses

State of Washington
Targeted Transportation Budget Instruction Responses Summary

Agency: 405 Department of Transportation
 Budget Period: 2013-15

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WSDOT Grant Programs

WSDOT Airport Aid Program Aviation Division - Program F

Program purpose and restrictions

The Aviation Division is responsible for protecting and preserving Washington State's 137 public use airports. Airports are vital to our state, fueling its economy and providing critical links to the state and national transportation system.

The Airport Aid Program provides crucial financial assistance to many of the state's airport sponsors who own or control airports available for the general use of the public through grants for the planning, acquisition, construction, improvement, and maintenance of airports.

Of Washington's 137 public-use airports, 66 are designated as significant to national air transportation and included as part of the National Plan of Integrated Airport Systems (NPIAS). Designation in the NPIAS makes these airports eligible for grants under the Federal Aviation Administration (FAA) Airport Improvement Program (AIP). WSDOT Aviation is able to use state funds leverage millions of dollars in federal funds. The remaining 71 non-NPIAS airports are primarily small-to-medium-sized airports that rely solely on local funding and state funding which is limited by statute to \$250,000 per grant.

Authorization

Financial assistance for the planning, acquisition, construction, improvement, and maintenance of airports is governed, in part, by RCW 47.68.090. The Department is empowered by RCW 47.68.070, and RCW 47.68.210, to establish rules and regulations necessary to fully implement the authority of the Department of Transportation.

Eligible entities are designated by RCW 47.68.020 Part 13, and RCW 47.68.090. They are: cities, counties, airport authorities, political subdivisions, public corporations, any municipalities acting jointly, and any person or persons acting jointly. In addition, Washington public entities and the State of Washington may cooperate financially with other states, counties, cities of other states, Indian reservations, foreign countries or any province or district of any foreign country in any project of joint use by the citizens of Washington as provided in RCW 47.68.020 and 090.

The total amount available for grants in a biennium is appropriated by the Legislature in the state transportation budget.

Selection Criteria

Grant funds are allocated in two stages, first by Airport Type, and then by Project Type. With regard to Airport Type, approximately 55 percent of grant funds are allocated to non-federal airports and those that are eligible to receive federal funds with less than 20 based aircraft, with the remaining 45 percent distributed to the category of airports eligible to receive federal funding with more than 20 based aircraft.

Grant funds are then further allocated by Project Type, with 75 percent allocated to pavement projects, 15 percent for safety projects, and ten percent for maintenance, security, or planning projects. WSDOT Aviation evaluates grant applications using separate criteria amongst each of these project types as well as other considerations. These are spelled out in the WSDOT Airport Aid Grant Procedures Manual.

Timeline for awards

Typically the program awards approximately half of the allocated grant funds at the beginning of the biennium (July of odd-numbered years). The program then awards the other half of the funds halfway through the biennium but slightly earlier in the construction season. (March or April of even-numbered years) so that airport sponsors can take advantage of the summer construction season.

WSDOT Aviation solicits for applications after the legislature and the Governor complete their work on the state transportation budget. After applications are submitted, Aviation staff review for completeness and work with the applicants to submit any missing information. Aviation staff conducts a threshold review and scoring of eligible applications, producing a ranked list which is submitted to the Aviation Director for final approval.

Program Issues

- A number of the airport aid grants go to very small, rural jurisdictions that do not have staff experienced in aviation matters, or grant administration. It is a frequent challenge to try and keep the construction projects on track (i.e. on-time and on-budget) when WSDOT Aviation does not have any direct control over the project resources.
- Somewhat related to the issue above, the small rural jurisdictions also do not have a thorough understanding and experience with implementing all of the requirements under state law concerning public works construction (i.e. consultant selection, environmental regulation, etc.). It is a frequent challenge to ensure that all of these projects meet all state legal requirements for public works construction.
- The grant awards are tied to the state's biennial budget cycle. However, this does not coincide, or align very well, with either the FAA's federal fiscal year or the natural construction season.

Administration of the Grant Program

The administration of the grant program is included in the F2 program budget. Grants projected are \$3.5 million and excludes program administration.

Program Funding:

(\$ in millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
New Awards									
AERO - S	\$2.5	\$2.0	\$1.8	\$3.5					
AERO - F	\$1.5	\$1.5	\$1.0	\$3.5					
Reappropriations									
AERO - S	\$0.2		\$0.2	\$0.1					
AERO - F									
Total	\$4.2	\$3.5	\$3.0	\$7.1					

Expected cash flow by fund source:

(\$ in millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
AERO - S	\$2.6	\$1.9	\$2.0	\$3.5					
AERO - F	\$0.5	\$1.0	\$1.0	\$3.5					
Total	\$3.1	\$2.9	\$3.0	\$7.0					

Number of Completed Projects:

	03-05	05-07	07-09	09-11	11-13
Actual	104	82	93	72	30
Planned					82

WSDOT Airport Aid Program

WSDOT Aviation/Program F

August 28, 2012 (Anticipated WSDOT Aviation 13-15 project list)

New 2013-15 Grant Projects

Priority	Project Title	Lead Agency	Project Description	Partners	Total Project Cost	Anticipated Grant Request	Cumulative Total	Capital or Operating	Biennium	Status
	2013 Airport Improvements Project	Port of Anacortes	Master Plan/Airport Layout Plan Update, Wildlife Hazard Assessment	Port of Anacortes, FAA, WSDOT Aviation	\$180,000	\$9,000	\$9,000	Capital	13-15	New
	2014 Airport Improvements Project	Port of Anacortes	Light/Mark/Remove Obstructions	Port of Anacortes, FAA, WSDOT Aviation	\$200,000	\$10,000	\$19,000	Capital	13-15	New
	2013 Airport Improvements Project	City of Arlington	Wildlife Hazard Assessment	City of Arlington, FAA, WSDOT Aviation	\$120,000	\$6,000	\$25,000	Capital	13-15	New
	2014 Airport Improvements Project	City of Arlington	Taxiway Lighting	City of Arlington, FAA, WSDOT Aviation	\$230,000	\$11,500	\$36,500	Capital	13-15	New
	2013 Airport Improvements Project	City of Auburn	Drainage/Erosion Control, Apron Rehabilitation	City of Auburn, FAA, WSDOT Aviation	\$311,800	\$15,590	\$52,090	Capital	13-15	New
	2014 Airport Improvements Project	City of Auburn	Land Acquisition for Approaches and Development	City of Auburn, FAA, WSDOT Aviation	\$4,234,206	\$211,710	\$263,800	Capital	13-15	New
	2013 Airport Improvements Project	Port of Bremerton	Taxiway Rehabilitation Phase I	Port of Bremerton, FAA, WSDOT Aviation	\$276,900	\$13,845	\$277,645	Capital	13-15	New
	2014 Airport Improvements Project	Port of Bremerton	Taxiway Rehabilitation Phase II, Wildlife Hazard Assessment	Port of Bremerton, FAA, WSDOT Aviation	\$2,736,045	\$136,802	\$414,448	Capital	13-15	New
	2013 Airport Improvements Project	City of Brewster	Master Plan/Airport Layout Plan Update, Tip Down Beacon Pole, Pavement Rehabilitation Phase II, Fencing Phase II	City of Brewster, FAA, WSDOT Aviation	\$611,000	\$30,550	\$444,998	Capital	13-15	New
	2014 Airport Improvements Project	City of Brewster	Parallel Taxiway Phase I	City of Brewster, FAA, WSDOT Aviation	\$40,000	\$2,000	\$446,998	Capital	13-15	New
	2013 Airport Improvements Project	Port of Skagit	Taxiway Rehabilitation	Port of Skagit, FAA, WSDOT Aviation	\$120,000	\$6,000	\$452,998	Capital	13-15	New
	2014 Airport Improvements Project	Port of Skagit	Master Plan/Airport Layout Plan Update	Port of Skagit, FAA, WSDOT Aviation	\$300,000	\$15,000	\$467,998	Capital	13-15	New
	2013 Airport Improvements Project	Chelan County	Land Acquisition / Obstruction Removal	Chelan County, FAA, WSDOT Aviation	\$19,000	\$950	\$468,948	Capital	13-15	New
	2014 Airport Improvements Project	Chelan County	Runway Safety Area Improvements Phase I	Chelan County, FAA, WSDOT Aviation	\$95,000	\$4,750	\$473,698	Capital	13-15	New
	2014 Airport Improvements Project	Chehalis-Centralia Airport Board	Taxilane and Apron Rehabilitation Phase II	Chehalis Centralia Airport Board, FAA, WSDOT Aviation	\$16,000	\$800	\$474,498	Capital	13-15	New
	2013 Airport Improvements Project	City of Chelan	Runway and Runway Safety Area Shift Phase III	City of Chelan, FAA, WSDOT Aviation	\$570,000	\$28,500	\$502,998	Capital	13-15	New
	2014 Airport Improvements Project	City of Chelan	Runway and Runway Safety Area Shift Phase IV	City of Chelan, FAA, WSDOT Aviation	\$285,000	\$14,250	\$517,248	Capital	13-15	New
	2013 Airport Improvements Project	City of Cle Elum	Avigation Easements and Land Acquisition	City of Cle Elum, FAA, WSDOT Aviation	\$109,250	\$5,463	\$522,710	Capital	13-15	New
	2014 Airport Improvements Project	City of Cle Elum	Land Acquisition	City of Cle Elum, FAA, WSDOT Aviation	\$726,750	\$36,338	\$559,048	Capital	13-15	New
	2014 Airport Improvements Project	Port of Whitman County	Runway Rehabilitation	Port of Whitman County, FAA, WSDOT Aviation	\$191,208	\$9,560	\$568,608	Capital	13-15	New
	2013 Airport Improvements Project	City of Davenport	Runway Shift/Extension Environmental	City of Davenport, FAA, WSDOT Aviation	\$150,000	\$7,500	\$576,108	Capital	13-15	New
	2014 Airport Improvements Project	City of Davenport	Runway Shift/Extension Land Acquisition	City of Davenport, FAA, WSDOT Aviation	\$90,000	\$4,500	\$580,608	Capital	13-15	New
	2013 Airport Improvements Project	Port of Orcas	Runway Rehabilitation, Taxiway Rehabilitation	Port of Orcas, FAA, WSDOT Aviation	\$4,640,000	\$232,000	\$812,608	Capital	13-15	New
	2014 Airport Improvements Project	Port of Orcas	Wildlife Hazard Assessment, Environmental Assessment/EIS or Update, Land Acquisition for Approaches and Development	Port of Orcas, FAA, WSDOT Aviation	\$988,000	\$49,400	\$862,008	Capital	13-15	New
	2014 Airport Improvements Project	Grant County Port District No. 9	Pavement Rehabilitation Phase I	Grant County Port District No. 9, FAA, WSDOT Aviation	\$50,000	\$2,500	\$864,508	Capital	13-15	New
	2013 Airport Improvements Project	Kittitas County	Pavement Rehabilitation	Kittitas County, FAA, WSDOT Aviation	\$150,000	\$7,500	\$872,008	Capital	13-15	New
	2013 Airport Improvements Project	Port of Ephrata	Taxiway Rehabilitation	Port of Ephrata, FAA, WSDOT Aviation	\$2,400,000	\$120,000	\$992,008	Capital	13-15	New

New 2013-15 Grant Projects

Priority	Project Title	Lead Agency	Project Description	Partners	Total Project Cost	Anticipated Grant Request	Cumulative Total	Capital or Operating	Biennium	Status
	2013 Airport Improvements Project	Snohomish County	Taxiway Engineering	Snohomish County, FAA, WSDOT Aviation	\$407,056	\$20,353	\$1,012,361	Capital	13-15	New
	2014 Airport Improvements Project	Snohomish County	Airfield Lighting	Snohomish County, FAA, WSDOT Aviation	\$2,750,000	\$137,500	\$1,149,861	Capital	13-15	New
	2013 Airport Improvements Project	Port of Friday Harbor	Light/Mark/Remove Obstructions, Apron Construction, Taxiway Construction	Port of Friday Harbor, FAA, WSDOT Aviation	\$7,248,025	\$250,000	\$1,399,861	Capital	13-15	New
	2014 Airport Improvements Project	Port of Friday Harbor	Taxiway Construction, Rehabilitate Seaplane Base	Port of Friday Harbor, FAA, WSDOT Aviation	\$1,306,725	\$65,336	\$1,465,197	Capital	13-15	New
	2013 Airport Improvements Project	Port of Moses Lake	Airport Layout Plan Update, Runway Rehabilitation	Port of Moses Lake, FAA, WSDOT Aviation	\$2,300,000	\$115,000	\$1,580,197	Capital	13-15	New
	2013 Airport Improvements Project	Port of Grays Harbor	Master Plan Update	Port of Grays Harbor, FAA, WSDOT Aviation	\$150,000	\$7,500	\$1,587,697	Capital	13-15	New
	2014 Airport Improvements Project	Port of Grays Harbor	Fencing, RPZ Avigation Easement, Apron Expansion	Port of Grays Harbor, FAA, WSDOT Aviation	\$395,000	\$19,750	\$1,607,447	Capital	13-15	New
	2014 Airport Improvements Project	Town of Lone	Construct Hold Apron Phase II, Runway Safety Area Improvements, Obstruction Removal Phase II	Town of Lone, FAA, WSDOT Aviation	\$345,000	\$17,250	\$1,624,697	Capital	13-15	New
	2014 Airport Improvements Project	City of Kelso	Land Acquisition	City of Kelso, FAA, WSDOT Aviation	\$910,559	\$45,528	\$1,670,225	Capital	13-15	New
	2013 Airport Improvements Project	City of Ocean Shores	Runway Widening and Rehabilitation Phase I	City of Ocean Shores, FAA, WSDOT Aviation	\$140,000	\$7,000	\$1,677,225	Capital	13-15	New
	2014 Airport Improvements Project	Town of Odessa	Apron Construction	Town of Odessa, FAA, WSDOT Aviation	\$157,894	\$7,895	\$1,685,120	Capital	13-15	New
	2014 Airport Improvements Project	Port of Olympia	Vehicle Access Road Phase I	Port of Olympia, FAA, WSDOT Aviation	\$1,150,000	\$57,500	\$1,742,620	Capital	13-15	New
	2014 Airport Improvements Project	City of Omak	Fence Gate Phase II	City of Omak, FAA, WSDOT Aviation	\$30,000	\$1,500	\$1,744,120	Capital	13-15	New
	2013 Airport Improvements Project	City of Oroville	Drainage/Erosion Control	City of Oroville, FAA, WSDOT Aviation	\$45,000	\$2,250	\$1,746,370	Capital	13-15	New
	2014 Airport Improvements Project	City of Oroville	Runway Construction	City of Oroville, FAA, WSDOT Aviation	\$160,000	\$8,000	\$1,754,370	Capital	13-15	New
	2013 Airport Improvements Project	Port of Othello	Runway Line of Sight Phase IV	Port of Othello, FAA, WSDOT Aviation	\$2,650,000	\$132,500	\$1,886,870	Capital	13-15	New
	2013 Airport Improvements Project	Lewis County	Land Acquisition for Parallel Taxiway	Lewis County, FAA, WSDOT Aviation	\$300,000	\$15,000	\$1,901,870	Capital	13-15	New
	2014 Airport Improvements Project	Lewis County	Runway Safety Area Improvements	Lewis County, FAA, WSDOT Aviation	\$105,000	\$5,250	\$1,907,120	Capital	13-15	New
	2013 Airport Improvements Project	Port of Pasco	Apron Rehabilitation Phase I	Port of Pasco, FAA, WSDOT Aviation	\$2,157,895	\$107,895	\$2,015,014	Capital	13-15	New
	2014 Airport Improvements Project	Port of Pasco	Apron Rehabilitation Phase II	Port of Pasco, FAA, WSDOT Aviation	\$2,157,895	\$107,895	\$2,122,909	Capital	13-15	New
	2013 Airport Improvements Project	Port of Port Angeles	Avigation Easements, Wildlife Management Plan	Port of Port Angeles, FAA, WSDOT Aviation	\$461,000	\$23,050	\$2,145,959	Capital	13-15	New
	2014 Airport Improvements Project	Port of Port Angeles	Avigation Easements, Obstruction Removal and Mitigation	Port of Port Angeles, FAA, WSDOT Aviation	\$1,088,600	\$54,430	\$2,200,389	Capital	13-15	New
	2014 Airport Improvements Project	Port of Port Townsend	Runway Rehabilitation Phase II	Port of Port Townsend, FAA, WSDOT Aviation	\$910,000	\$45,500	\$2,245,889	Capital	13-15	New
	2013 Airport Improvements Project	Port of Benton	Apron Rehabilitation, Taxiway Construction	Port of Benton, FAA, WSDOT Aviation	\$172,185	\$8,609	\$2,254,498	Capital	13-15	New
	2013 Airport Improvements Project	City of Pullman	Apron Rehabilitation, Ground Access	City of Pullman, FAA, WSDOT Aviation	\$597,000	\$29,850	\$2,284,348	Capital	13-15	New
	2014 Airport Improvements Project	City of Pullman	Land Acquisition, Taxiway Rehabilitation, Runway Construction	City of Pullman, FAA, WSDOT Aviation	\$1,940,000	\$97,000	\$2,381,348	Capital	13-15	New
	2013 Airport Improvements Project	Pierce County	Airport Layout Plan Update, Wildlife Hazard Assessment, Taxiway Lighting	Pierce County, FAA, WSDOT Aviation	\$550,000	\$27,500	\$2,408,848	Capital	13-15	New
	2014 Airport Improvements Project	Pierce County	Apron Rehabilitation, Access Road	Pierce County, FAA, WSDOT Aviation	\$600,000	\$30,000	\$2,438,848	Capital	13-15	New
	2013 Airport Improvements Project	City of Forks	Elk Study	City of Forks, FAA, WSDOT Aviation	\$75,000	\$3,750	\$2,442,598	Capital	13-15	New

New 2013-15 Grant Projects

Priority ¹	Project Title	Lead Agency	Project Description	Partners	Total Project Cost	Anticipated Grant Request	Cumulative Total	Capital or Operating	Biennium	Status
	2014 Airport Improvements Project	City of Forks	Airfield Needs Assessment	City of Forks, FAA, WSDOT Aviation	\$80,000	\$4,000	\$2,446,598	Capital	13-15	New
	2013 Airport Improvements Project	Port of Benton	Environmental Assessment	Port of Benton, FAA, WSDOT Aviation	\$157,895	\$7,895	\$2,454,493	Capital	13-15	New
	2014 Airport Improvements Project	Port of Benton	Fencing	Port of Benton, FAA, WSDOT Aviation	\$157,895	\$7,895	\$2,462,388	Capital	13-15	New
	2013 Airport Improvements Project	Town of Rosalia	Airport Beacon, Building	Town of Rosalia, FAA, WSDOT Aviation	\$190,000	\$9,500	\$2,471,888	Capital	13-15	New
	2014 Airport Improvements Project	Town of Rosalia	Runway & Taxiway Rehabilitation, Land Acquisition for Approaches	Town of Rosalia, FAA, WSDOT Aviation	\$92,000	\$4,600	\$2,476,488	Capital	13-15	New
	2013 Airport Improvements Project	Port of Shelton	Apron Rehabilitation	Port of Shelton, FAA, WSDOT Aviation	\$60,000	\$3,000	\$2,479,488	Capital	13-15	New
	2014 Airport Improvements Project	Port of Shelton	Fencing, Apron Rehabilitation	Port of Shelton, FAA, WSDOT Aviation	\$1,964,115	\$98,206	\$2,577,694	Capital	13-15	New
	2013 Airport Improvements Project	Spokane Airports	Taxiway Construction	Spokane Airports, FAA, WSDOT Aviation	\$5,389,637	\$250,000	\$2,827,694	Capital	13-15	New
	2014 Airport Improvements Project	Spokane Airports	Runway Rehabilitation	Spokane Airports, FAA, WSDOT Aviation	\$727,513	\$36,376	\$2,864,069	Capital	13-15	New
	2013 Airport Improvements Project	Pierce County	Wildlife Hazard Assessment, Taxiway Relocation Design	Pierce County, FAA, WSDOT Aviation	\$230,000	\$11,500	\$2,875,569	Capital	13-15	New
	2014 Airport Improvements Project	Pierce County	Taxiway Relocation Construction	Pierce County, FAA, WSDOT Aviation	\$2,375,000	\$118,750	\$2,994,319	Capital	13-15	New
	2014 Airport Improvements Project	Lewis County	Runway Fog Seal	Lewis County, FAA, WSDOT Aviation	\$285,000	\$14,250	\$3,008,569	Capital	13-15	New
	2014 Airport Improvements Project	City of Vancouver	Rehabilitate Runway Lighting	City of Vancouver, FAA, WSDOT Aviation	\$473,684	\$23,684	\$3,032,254	Capital	13-15	New

Total New Grants

\$3,032,254

¹ This is a non-prioritized list of anticipated aviation projects, subject to submission of grant applications by Airport Sponsors.

Regional Mobility Grant (RMG) Program

Public Transportation – Program V

Program purpose and restrictions

The primary goals for the program are to 1) facilitate connection and coordination of transit services and planning and 2) maximize opportunities to use public transportation to improve efficiency of regional corridors. Local governments (defined as cities, counties, ports, and public transportation benefit areas) are eligible to apply for grant funding of public transportation projects that improve connections between cities and counties, rush hour transit on congested roadways, park and ride lots and projects that reduce delay for people and goods. The program was funded with \$20.0 million in 2005-2007, \$33.4 million in 2007-2009, \$60.9 million in 2009-2011, and \$48.9 million in 2011-13.

Authorization - RCW 47.66.030

The department shall:

1. Establish a Regional Mobility Grant (RMG) Program. The purpose of the grant program is to aid local governments in funding projects such as intercounty connectivity service, park and ride lots, rush hour transit service, and capital projects that improve the connectivity and efficiency of our transportation system. The department shall identify cost-effective projects that reduce delay for people and goods and improve connectivity between counties and regional population centers, and submit a prioritized list of projects requesting funding to the Legislature by December 1st of each year.
2. Establish an advisory committee to carry out the mandates of this chapter.
3. Report annually to the transportation committees of the legislature on the status of any grants projects funded by the program created under this section.

Selection criteria

Grant projects reviewed in the 2011-13 biennium were ranked on the following criteria:

- Demonstrated cost efficiency of the grant funds requested relative to quantitative measures of effectiveness (reduction in vehicle miles traveled, reduction of vehicle trips, and as applicable, reduction in person hours of delay);
- Readiness to proceed with the project;
- Improving transportation efficiency at the location of an identified bottleneck/chokepoint or on a congested corridor or roadway location;
- Significantly improving regional transportation congestion issues with cost efficient solutions;
- Improving system integration to multiple modes and improve system coordination/connection through regional connections or cross-jurisdictional transit services;
- Improving regional connections, system coordination, and system integration of multiple modes;
- Effectively solving a transportation problem identified in the project proposal;

- Sustaining benefits beyond the initial grant period and be considered a long-term solution to an identified transportation problem;
- Providing a financial plan, secured funding, a commitment to continue the project beyond initial grant;
- Demonstrating a local funding commitment and effective partnership(s);
- Proceeding expeditiously and/or can be accomplished expeditiously; and
- How the project and agency plan to reduce greenhouse gas emissions.

Timeline for awards

Schedule: The 2013-2015 biennium call for projects is currently scheduled for July 30, 2012 with applications due on October 10, 2012, followed by review and analysis. The Public Transportation Division is scheduled to send the ranked list of projects to the Legislature by December 1, 2012.

Selection process: An independent scoring committee reviews and scores each submittal, with the project with the most points is ranked the highest and so forth. The prioritized list may be submitted for comment to the Public Transportation Advisory Committee. This Committee which consists of executives from transit agencies, regional planning organizations, local jurisdictions and the Commute Trip Reduction Board accepts the list and recommends it to the WSDOT Director of Public Transportation. The Director then accepts or revises the list and recommends it to the Transportation Secretary. After consultation with the Governor's Office, the Secretary submits a proposed list to the Legislature, who may then accept or revise the list. The list is then included in the transportation budget.

Program Issues

As is expected for a relatively new state grant program, the department is refining procedures and making program improvements. It is also working to address the conflict between the perceived expectation that all Regional Mobility Grant projects must be completed within a single biennium and the timelines for capital construction projects, which typically take more than a single construction season. Capital construction projects are a significant majority of the projects that receive RMG funds. The most frequent reason that grant recipients ask for reappropriation is the need for additional time to complete a capital construction project.

These projects typically require more than two years to complete design, environmental documentation and permitting, real estate acquisition, and construction. Capital construction projects also generally face significant schedule and cost risks, for example, rising labor and supply costs, weather, real estate acquisition challenges, contractor bidding environment, unexpected site conditions, etc. In addition, construction is often limited to months with relatively warm, dry weather – the construction season. Grant-funded construction projects that require more than one construction season are immediately in jeopardy because the state biennium begins on July 1, midway through the first construction season in the biennium. As a result, this first season is often lost because construction cannot begin immediately on July 1; WSDOT, grant recipients, and contractors must first complete grant agreements; hire

contractors; complete required environmental, historic, and archaeological documentation; acquire real estate; plan the construction work and mobilize crews.

Program Funding

(Funds shown in millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
New Awards									
RMGPA-S	40.0	44.0	40.0	40.0	50.0	50.0	50.0	50.0	50.0
Reapprops									
RMGP-S	17.2	21.2	11.0	TBD					
MMA-S		3.3							
Total	57.2	68.5	51.0	40.0	50.0	50.0	50.0	50.0	50.0

Expected cash flow by fund source

(Funds shown in millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
RMGP-S	40.2	54.2	51.0	40.0	50.0	50.0	50.0	50.0	50.0
MMA-S		3.3							
Total	40.2	57.5	51.0	40.0	50.0	50.0	50.0	50.0	50.0

Number of Completed Projects

	09-11	11-13	13-15	
Actual	16	9		
Planned		14	6	

Regional Mobility Grants
 Public Transportation Division
 August 27, 2012 (Agency Budget Submittal)

New 2013-15 Grant Projects

Priority	Project Title	Lead Agency	Project Description	Total Project Cost	Grant Request	Capital or Operating	Biennium Awarded	Status
	tbd	tbd	tbd	tbd	\$40,000,000	OP/EV/CN		
Total New Grants					\$40,000,000			

Total Reappropriation Request

	tbd	tbd	tbd	tbd	tbd	OP/EV/CN		
Total Reappropriation Request					TBD			

Total Grant Program Budget Request 2013-15					\$40,000,000	Plus Reappropriation Amount		
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Rural Mobility Competitive Grant Funds

Public Transportation - Program V

Purpose and Restrictions

Rural Mobility Competitive Grant (RMG) funds improve transportation in rural areas where public transportation is limited or does not exist. Grants provide a lifeline for many rural citizens who rely on public transportation to get to jobs, medical appointments, social service programs, and maintain their independence. RMG funds will be used for operating, capital, and program development projects, providing services to individuals in rural communities.

Authorization

2011-13 Transportation Budget Section 220 (2) (b): *“\$8,500,000 of the rural mobility grant account—state appropriation is provided solely to providers of rural mobility service in areas not served or underserved by transit agencies through a competitive grant process.”*

Selection Criteria

WSDOT distributes grant funds through a competitive application process that leverages state and federal funds. Projects are derived from locally developed Human Service Transportation Plans conducted by the Regional Transportation Planning Organizations (RTPO). Each RTPO submits a ranked project list that WSDOT combines with the statewide review process.

WSDOT establishes evaluation teams that review applications and make recommendations regarding project priorities. Teams include transportation planners, service providers, local governments, tribes, riders, transportation brokers, and social service agencies. These team members review applications for:

- 1) Project Component Questions: Does the project establish, preserve, or improve public transportation services in a community? Does the project address a recognized need in the community? Does the project reflect a community process of coordination and input?
- 2) Applicant Component Questions: Does the applicant report sufficient financial capability and resources to implement and successfully carry out the project? Does the applicant report a long-term commitment to the project to continue the effort beyond the availability of the requested grant resources?
- 3) Performance Component Questions: Does the project define performance measures to be used in determining the success of the project? Does the project describe an active effort aimed at improving efficiency and effectiveness?

A forced-pair method is used to compare project applications. Each project is compared to a sampling of every other project. A list of ranked projects is developed from the calculated evaluation team scores. WSDOT then adds in the RTPO ranking percentage points to create the recommended funded list.

Timeline for Awards

Funding will be awarded through the consolidated grants process. The consolidated grant applications are due in December 2012.

The applications will be evaluated using the components outlined earlier in the Selection Criteria section by the evaluation team in January 2013. The results of the evaluation team will be submitted as a recommendation to WSDOT. In March/April 2013, WSDOT will add the RTPPO ranking percentage points and then review the recommendations. WSDOT will then make the final decision on the projects that are awarded. This process will take place in May/June 2013 (when the Governor approves the state biennial budget).

Successful applicants will start receiving award letters and grant agreements between May and July 2013. The agreements will start on July 1, 2013 and expire at the end of the biennium (June 30, 2015).

Program Issues

The main issue is budgetary. If the state rural mobility and paratransit special needs dollars are decreased, it will also decrease the department’s ability to leverage federal dollars to grantees. It will mean less mobility for people with special needs and cuts to programs that are already under strain at the local level.

Program Funding

(Funds shown in millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
New Awards									
MMA-S	\$8.5	\$8.5	\$8.5	8.5					
Total	\$8.5	\$8.5	\$8.5	8.5					

Expected cash flow by fund source

(Funds shown in millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
MMA-S	\$8.5	\$8.5	\$8.5	\$8.5					
Total	\$8.5	\$8.5	\$8.5	\$8.5					

Number of Completed Projects

	03-05	05-07	07-09	09-11	11-13
Actual	61	49	33	47	
Planned					43

Rural Mobility Formula Grant Funds

Public Transportation - Program V

Program purpose and restrictions (if any)

Rural Mobility Formula Grants (RMG) funds improve transportation in small cities and rural areas where sales tax revenue is less than the state average. The grants provide a lifeline for many rural citizens who rely on public transportation to get to jobs, medical appointments, social service programs, and maintain their independence. Funds will be used for operating, capital, and program development projects, providing services to individuals in rural communities. Recipients are restricted to transit organizations serving small urban and rural areas.

Authorization

2011-13 Transportation Budget Section 220 (2) (a): \$8,500,000 of the Rural Mobility Grant Program Account—State appropriation is provided solely for grants for those transit systems serving small cities and rural areas as identified in the Summary of Public Transportation - 2009 published by the Department of Transportation. Noncompetitive grants must be distributed to the transit systems serving small cities and rural areas in a manner similar to past disparity equalization programs.

Selection Criteria

WSDOT distributes RMG funds to small cities and rural transit districts that collect less than the statewide average of local revenues collected. The Department of Revenue (DOR) notifies WSDOT of the exact amount to be distributed to each transit agency. The formula used by DOR is the same that was formerly used for the Sales Tax Equalization Program, and is applied each year based on the sales taxes collected in the prior year.

Timeline for Awards

The 2013-15 biennium formula funds are appropriated with the biennial budget (in April/May 2013). Funds are distributed at the beginning of each state fiscal year and will be distributed based on the method explained in the Selection Criteria section. Once the department receives notification from DOR, it notifies transit agencies of their award. In May/June 2013, WSDOT will request that transit agencies send the department notifications of their intent on use of funds. The department distributes the contracts for these projects in July 2013. This process repeats itself for the second years' funding distributed in the second year of the biennium.

Program Issues

The main issue is budgetary. If the state rural mobility and paratransit special needs dollars are decreased, it will also decrease the department's ability to leverage federal dollars to grantees. It will mean less mobility for people with special needs and cuts to programs that are already under strain at the local level.

Program Funding

(Funds shown are in the millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
New Awards									
MMA-S	\$8.5	\$8.5	\$8.5	\$8.5					
Reappropriations									
Total	\$8.5	\$8.5	\$8.5	\$8.5					

Expected cash flow by fund source

(Funds shown are in the millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
MMA-S	\$8.5	\$8.5	\$8.5	\$8.5					
Total	\$8.5	\$8.5	\$8.5	\$8.5					

Number of Completed Projects

	03-05	05-07	07-09	09-11	11-13
Actual	18	11	13	12	
Planned					10

Special Needs Competitive Grant Funds

Public Transportation - Program V

Program purpose and restrictions (if any)

This program benefits people with special transportation needs due to age, disability, or income that cannot provide transportation for themselves. Paratransit Special Needs Grants provide a lifeline for people who rely on public transportation to get to jobs and maintain independence. The funding will be used for operating, capital, and program development projects. Recipients are limited to Non-Profit organizations.

Authorization

2011-13 Transportation Budget Sec 221 (1) (a): *“\$5,500,000 of the Multimodal Transportation Account—State appropriation is provided solely for grants to nonprofit providers of special needs transportation. Grants for nonprofit providers shall be based on need, including the availability of other providers of service in the area, efforts to coordinate trips among providers and riders, and the cost effectiveness of trips provided.”*

Selection Criteria

WSDOT distributes grant funds through a competitive application process that leverages state and federal funds. Projects are derived from locally developed Human Service Transportation Plans conducted by the Regional Transportation Planning Organizations (RTPO). Each RTPO submits a ranked project list that WSDOT combines with the statewide review process.

WSDOT establishes evaluation teams that review applications and make recommendations regarding project priorities. Review teams include transportation planners, service providers, local governments, tribes, riders, transportation brokers, social service agencies, and riders. Evaluation team members review the applications for the following three areas:

- 1) Project Component Question: Does the project establish, preserve, or improve public transportation services in a community? Does the project address a recognized need in the community? Does the project reflect a community process of coordination and input?
- 2) Applicant Component Question: Does the applicant report sufficient financial capability and resources to implement and successfully carry out the project? Does the applicant report a long-term commitment to the project to continue the effort beyond the availability of the requested grant resources?
- 3) Performance Component Question: Does the project define the performance measures to be used in determining the success of the project? Does the project describe an active effort aimed at improving efficiency and effectiveness?

A forced-pair method is used to compare project applications. Each project is compared to a sampling of every other project. A list of ranked projects is developed from the calculated

evaluation team scores. WSDOT then adds in the RTP0 ranking percentage points to create the recommended funded list.

Timeline for Awards

For the 2013-15 biennium, the funding will be awarded through the consolidated grants process. The consolidated grant applications are due in December 2012.

The applications will be evaluated using the components outlined in the Selection Criteria section by the evaluation team in January 2013. The results of the evaluation team are submitted as a recommendation to WSDOT. In March/April 2013, WSDOT will add the RTP0 ranking percentage points and then review the recommendations. WSDOT will then make the final decision on the projects that are awarded. This process will take place in May/June 2013 (when the Governor is approving the state biennial budget).

Successful applicant started receiving award letters and grant agreements between May and July 2013. The agreements started on July 1, 2013 and expire at the end of the biennium (June 30, 2015).

Program Issues

The main issue is budgetary. If the state rural mobility and paratransit special needs dollars are decreased, it will also decrease the department’s ability to leverage federal dollars to grantees. It will mean less mobility for people with special needs and cuts to programs that are already under strain at the local level.

Program Funding

(Funds shown in millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
New Awards									
MMA-S	\$5.5	\$5.5	\$5.5	\$5.5					
Reapprops									
Total	\$5.5	\$5.5	\$5.5	\$5.5					

Expected cash flow by fund source

(Funds shown in millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
MMA-S	\$5.5	\$5.5	\$5.5	\$5.5					
Total	\$5.5	\$5.5	\$5.5	\$5.5					

Number of Completed Projects

	03-05	05-07	07-09	09-11	11-13
Actual	36	25	21	23	
Planned					33

Special Needs Formula Grant Funds

Public Transportation - Program V

Program purpose and restrictions (if any)

This program benefits people with special transportation needs due to age, disability, or income. Paratransit Special Needs Grants provide a lifeline for these people to get to jobs and maintain independence. The funding will be used for operating and capital projects. Recipients are limited to Transit organizations and no agency may receive more than thirty percent of total funding.

Authorization

2011-13 Transportation Budget Section 220(1)(b): *“\$19,500,000 of the Multimodal Transportation Account--State appropriation is provided solely for grants to transit agencies to transport persons with special transportation needs. To receive a grant, the transit agency must have maintenance of effort for special needs transportation that is no less than the previous year's maintenance of effort for special needs transportation. Grants for transit agencies shall be prorated based on the amount expended for demand response service and route deviated service in calendar year 2009 as reported in the "Summary of Public Transportation - 2009" published by the Department of Transportation. No transit agency may receive more than thirty percent of these distributions.”*

Selection Criteria

WSDOT prorates special needs formula grant funds to transit districts based on the amount expended for paratransit and flex route services in a base year.

Timeline for Awards

The biennial formula funds are appropriated when the Governor signs the budget. These funds are allocated based on the level of dial a ride and/or fixed route services provided by the transit agency during a prior year. WSDOT notifies the recipients of the funds available in May/June 2013. Recipients are required to send in a project description and budget outlining what they will use the funds for in June 2013. Contracts are sent out for those projects in July 2013. All funds are distributed at the beginning of the biennium so this process will not repeat itself until the following biennium.

Program Issues

The main issue is budgetary. If the state rural mobility and paratransit special needs dollars are decreased, it will also decrease the department's ability to leverage federal dollars to grantees. It will mean less mobility for people with special needs and cuts to programs that are already under strain at the local level.

Program Funding

(Funds shown in Millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
New Awards									
MMA-S	\$19.5	\$19.5	\$19.5	\$19.5					
Reapprops									
Total	\$19.5	\$19.5	\$19.5	\$19.5					

Expected cash flow by fund source

(Funds shown in Millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
MMA-S	\$19.5	\$19.5	\$19.5	\$19.5					
Total	\$19.5	\$19.5	\$19.5	\$19.5					

Number of Completed Projects

	03-05	05-07	07-09	09-11	11-13
Actual	52	33	34	31	
Planned					29

Surface Transportation Program
FHWA Funding Transferred into 49 U.S.C. 5311
Public Transportation – Program V

Program purpose and restrictions (if any)

This program benefits transportation providers needing replacement or new equipment or rehabilitation/expansion or new facilities. Grant recipients can choose to have their projects administered by the department through the Federal Transit Administration (FTA). Funds are then transferred to FTA from the Federal Highway Administration (FHWA) and then are treated by FTA as 49 U.S.C. 5311 funds. Recipients are primarily rural and small urban public transits.

Authorization

This funding is federally authorized under the following:

- 1) The Safe, Accountable, Flexible, Efficient Transportation Equity Act, a Legacy for Users (SAFETEA–LU) (Pub. L. 109–059) signed into law on August 10, 2005, and codified in 49 U.S.C. Chapter 53.
- 2) FTA Circular 9040.1F.
- 3) The code assigned to the Section 5311 program in the Catalogue of Federal Domestic Assistance is 20.509.

Selection Criteria

These funds are awarded by FHWA. WSDOT then passes the funding onto MPO's/RTPO's who form regional selection committees. The committees use selection criteria developed in their region to select project. The selected projects are then sent to WSDOT to review and approve the process. Once WSDOT approves the process, WSDOT sends a letter and the approved list of projects to the Governor.

Timeline for Awards

Funding for the 2013-15 biennium will be awarded based on an FHWA and regional timeline. The Public Transportation Division is notified of the projects by each rural transit system and that the project needs to be transferred. WSDOT facilitates the transfer process and manages the projects after the funds are transferred to FTA. The notification timeframe varies based on the individual RTPO timelines. Once WSDOT is notified of the awards, we contact the rural recipients to discuss the transfer of the funding. Once the funds are transferred to FTA from FHWA, which could take a month or two, we work to secure the funds with FTA. This process could take up to 120 days. Once the funds are secured, agreements are sent to the agencies.

Program Issues

The number of projects or funds the department will administer on behalf of the FHWA STP recipients is not known until after the awards are made by FHWA. Also, there is no administration funding attached to these grants.

Program Funding

(Funds shown in the millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
New Awards									
784-F	\$1.55	\$0.55	\$0.55	0					
Reapprops									
Total	\$1.55	\$0.55	\$0.55						

Expected cash flow by fund source

(Funds shown in the millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
784-F	\$1.55	\$0.55	\$0.55	0					
Total	\$1.55	\$0.55	\$0.55						

Number of Completed Projects

	03-05	05-07	07-09	09-11	11-13
Actual	3	6	8	2	
Planned					4

Vanpool Investment Program Public Transportation – Program V

Program purpose and restrictions (if any)

The Vanpool Investment Program (VIP) is authorized by the Legislature to achieve the goal of doubling operating vanpools in the state by 2013. The program provides capital funding to transit agencies to purchase vans and is authorized to provide incentives for employers to increase employee vanpool use.

Authorization

The program has been authorized as a budget proviso to Program V in the 2003-05, 2005-07, 2007-09, 2009-11, and 2011-13 biennia.

Grant Fund Awards

Capital grant fund awards are based on transit agency van requests and available VIP funds. Prior to the 2009-2011 biennium, WSDOT VIP capital funds were only available to transit agencies for expansion vans. Legislative language was added in 2009 allowing VIP grant funds to be used for the purchase of replacement vans.

Timeline for Awards

The Public Transportation Divisions (PTD) will issue an official VIP grant solicitation announcement during the summer to ensure that grant agreements are in place when the state’s Office of State Procurement announces its vanpool contract award. The PTD will review the VIP grant applications received and makes funding and award recommendations to the PTD Director who determines the final VIP grant awards.

Long-Term Program Requirements

During 2013, WSDOT staff in collaboration with transit agency general managers and vanpool operators plan to develop a new 2020 vanpool program plan. A key component of the plan will be to identify and define funding needs beyond the 2013-2015 biennium.

Program Funding

(Funds shown in the millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
New Awards									
MMA-S	\$8.6	\$7.0	\$6.0	\$6.0					
Reappropriations									
Total	\$8.6	\$7.0	\$6.0	\$6.0					

Expected cash flow by fund source

(Funds shown in the millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
MMA-S	\$8.6	\$7.0	\$6.0	\$6.0					
Total	\$8.6	\$7.0	\$6.0	\$6.0					

Number of Completed Projects (Vans Awarded)

	03-05	05-07	07-09	09-11	11-13	13-15
Actual	170	395	353			
Planned				330	292	290

Call for Vanpool Investment Program – Capital Grants for Vanpool Purchase

This is the official VIP Grant Notice and Description of Funding Availability announcement and the request for information from eligible transit agencies for VIP capital grants for the 2011-2013 timeframe. In the Transportation Budget the Public Transportation Division was provided a total of \$6.0 million to support:

“...a vanpool grant program for: (a) Public transit agencies to add vanpools or replace vans; and (b) incentives for employers to increase employee vanpool use. The grant program for public transit agencies will cover capital costs only; operating costs for public transit agencies are not eligible for funding under this grant program. Additional employees may not be hired from the funds provided in this section for the vanpool grant program, and supplanting of transit funds currently funding vanpools is not allowed. The department shall encourage grant applicants and recipients to leverage funds other than state funds.”

“At least \$1,600,000 of this amount must be used for vanpool grants in congested corridors. \$520,000 of the amount provided in this subsection is provided solely for the purchase of additional vans for use by vanpools serving soldiers and civilian employees at Joint Base Lewis-McChord.”

Public Transportation – Program V

49 U.S.C. 5309

Program purpose and restrictions (if any)

This program benefits transits that are in need of replacement vehicles, expansion vehicles, shelters, and the rehabilitation, expansion, engineering, or building of new facilities. Federal Transit Administration (FTA) allows 5309 funding to be used for capital purposes. Recipients are primarily transits located in rural and small urban areas.

In 2011 FTA and Congress issued competitive calls for projects to use remaining 5309 funds for the newly created State of Good Repair program, Bus Livability Program, and the Veterans Transportation and Community Hiring Initiative. Each program still is required to only be used for capital purchases, but will be awarded based on a national competition based on the specific needs of each program.

Authorization

This funding has been federally authorized under the following:

- 1) The Safe, Accountable, Flexible, Efficient Transportation Equity Act, a Legacy for Users (SAFETEA–LU) (Pub. L. 109–059), signed into law on August 10, 2005, and codified in 49 U.S.C. Chapter 53
- 2) FTA Circular 9300.1B
- 3) The code assigned to the Section 5309 program in the Catalogue of Federal Domestic Assistance is 20.500

Selection Criteria

Congress selects the projects. Then, the President and Congress award the funds through USDOT. Rural and small urban transits work with WSDOT to produce applications. All applications are submitted for competition. FTA awards the projects with discretionary funds. For the chosen agencies, WSDOT administers the selected projects.

Most recently, the three new programs have superseded the original 5309 awarding process. All projects are now submitted through Grants.gov in order to compete nationally. The national awards are made by FTA in the form of discretionary grants.

Timeline for Awards

For the 2013-2015 biennium, the bus and bus facilities discretionary grants will be applied for and awarded annually.

WSDOT works with the rural and small urban transit providers to produce the applications every January. These requests are then sent to the appropriate congressional parties for submission in early spring. The successful projects are awarded by the President and Congress

during the federal budget cycle. Award notifications are made by FTA between October and May every year (depending upon the length of the legislative session).

Most recently, WSDOT staff receive notification of the funding availability for each program and then assist rural and small urban transportation providers to put forward an application into the national competitive process. Awards are being made approximately 4-6 months after the application deadline.

Program Issues

The main issue is that this program is completely subject to discretionary funding and Congressional (and President) decision making process.

Most recently, with the movement to newly developed programs, the decisions are made competitively and there are no guaranteed or formulized funds for this program.

Additionally, SAFETEA–LU authorizing language expired in 2009. Congress has passed continuing resolutions until just recently when MAP-21 was passed. The department is continuing to review and access impact of these changes.

Program Funding

(All funds are shown in the millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
New Awards									
784-F	\$1.66	\$3.87	\$4.59	\$3.87					
Reappropriations									
Total	\$1.66	\$3.87	\$4.59	\$3.87					

Expected cash flow by fund source

(All funds are shown in the millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
784-F	\$1.66	\$3.87	\$4.59	\$3.87					
Total	\$1.66	\$3.87	\$4.59	\$3.87					

Number of Completed Projects

	03-05	05-07	07-09	09-11	11-13
Actual	19	17	10	6	1
Planned					9

Elderly Individuals and Individuals with Disabilities (49 U.S.C. 5310)

Public Transportation – Program V

Program purpose and restrictions (if any)

This program benefits the elderly and people with disabilities who cannot provide transportation for themselves. Grants provide a lifeline for people who rely on public transportation to get to jobs, doctors appointments and maintain independence. Federal Transit Administration (FTA) allows 5310 funding to be used for capital purposes. Recipients are primarily restricted to non-profit organizations.

Authorization

This funding has been federally authorized under the following:

- 1) The Safe, Accountable, Flexible, Efficient Transportation Equity Act, a Legacy for Users (SAFETEA–LU) (Pub. L. 109–059) signed into law on August 10, 2005, and codified in 49 U.S.C. Chapter 53.
- 2) FTA Circular 9070.1F
- 3) The code assigned to the Section 5310 program in the Catalogue of Federal Domestic Assistance is 20.513.

Selection Criteria

WSDOT distributes grants through a competitive application process that leverages state and federal funds. Projects are derived from locally developed Human Service Transportation Plans conducted by the Regional Transportation Planning Organizations (RTPO). Each RTPO submits a ranked project list that WSDOT combines with its statewide review process. WSDOT also establishes evaluation teams to make recommendations as to project priorities. Review team includes transportation planners, service providers, local governments, tribes, riders, transportation brokers and social service agencies.

Evaluation team members review the applications for:

- 1) Project Component Questions: Does the project establish, preserve, or improve public transportation services in a community? Does the project address a recognized need in the community? Does the project reflect a community process of coordination and input?
- 2) Applicant Component Questions: Does the applicant report sufficient financial capability and resources to implement and successfully carry out the project? Does the applicant report a long-term commitment to the project to continue the effort beyond the availability of the requested grant resources?
- 3) Performance Component Questions: Does the project define the performance measures to be used in determining the success of the project? Does the project describe an active effort aimed at improving efficiency and effectiveness?

A forced-pair method is used to compare project applications. Each project is compared to a sampling of every other project. A list of ranked projects is developed from the calculated evaluation team scores. WSDOT then adds in the RTPPO ranking percentage points to create the recommended funded list.

Timeline for Awards

For the 2013-15 biennium, the majority of the funding will be awarded through the consolidated grants process. Applications are due in December 2012 and will be evaluated per the questions outlined in the Selection Criteria in January 2013. The evaluation team will submit recommendation to WSDOT. In March/April of 2013, WSDOT will add the RTPPO ranking percentage points and then reviewing the recommendations. WSDOT will then make the final decision on the projects, which will take place in May/June of 2013.

Successful applicants will begin receiving award letters and grant agreements between May and July 2013. Agreements will commence on July 1, 2013 and expire at the end of the biennium (June 30, 2015).

Program Issues

The main issue is budgetary. If the state rural mobility and paratransit special needs dollars are decreased, it will also decrease the department’s ability to leverage federal dollars to grantees.

Additionally, SAFETEA–LU authorizing language expired in 2009. Congress has passed continuing resolutions until last month when MAP-21 was passed. The department is continuing to review and access impact of these changes.

Program Funding

(Funds shown are in millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
New Awards									
784-F	\$2.26	\$6.27	\$5.20						
Reapprops									
Total	\$2.26	\$6.27	\$5.20						

Expected cash flow by fund source

(Funds shown are in millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
784-F	\$2.26	\$6.27	\$5.20						
Total	\$2.26	\$6.27	\$5.20						

Number of Completed Projects

	03-05	05-07	07-09	09-11	11-13
Actual	9	18	13	33	
Planned					31

Federal Rural Mobility Program (49 U.S.C. 5311)

Public Transportation – Program V

Program purpose and restrictions (if any)

This program benefits persons living in non-urbanized areas who receive transportation services. These grants provide a lifeline for people in nonurbanized areas who need access to health care, shopping, education, employment, public services, and recreation. The program also provides funding for intercity bus service and technical assistance through the Rural Transportation Assistance Program (RTAP). Federal Transit Administration (FTA) allows 5311 funding to be used for operating, capital and planning purposes. Recipients are primarily private non-profit organizations, private for profit organizations, state or local governments, Indian tribes, and public transits.

Authorization

This funding has been federally authorized under the following:

- 1) The Safe, Accountable, Flexible, Efficient Transportation Equity Act, a Legacy for Users (SAFETEA-LU) (Pub. L. 109-059) signed into law on August 10, 2005, and codified in 49 U.S.C. Chapter 53
- 2) FTA Circular 9040.1F
- 3) The code assigned to the Section 5311 program in the Catalogue of Federal Domestic Assistance is 20.509

Selection Criteria

WSDOT distributes grant funds through a competitive application process that leverages state and federal funds. Projects are derived from locally developed Human Service Transportation Plans conducted by the Regional Transportation Planning Organizations (RTPO). Each RTPO submits a ranked project list that WSDOT combines with the statewide review process.

WSDOT establishes evaluation teams that review applications and make recommendations to WSDOT regarding project priorities. WSDOT's review team includes transportation planners, service providers, local governments, tribes, riders, transportation brokers and social service agencies.

Evaluation team members review the applications for:

- 1) Project Component Questions: Does the project establish, preserve, or improve public transportation services in a community? Does the project address a recognized need in the community? Does the project reflect a community process of coordination and input?
- 2) Applicant Component Questions: Does the applicant report sufficient financial capability and resources to implement and successfully carry out the project? Does

the applicant report a long-term commitment to the project to continue the effort beyond the availability of the requested grant resources?

- 3) Performance Component Questions: Does the project define the performance measures to be used in determining the success of the project? Does the project describe an active effort aimed at improving efficiency and effectiveness?

A forced-pair method is used to compare project applications. Each project is compared to a sampling of every other project. A list of ranked projects is developed from the calculated evaluation team scores. WSDOT then adds in the RTPO ranking percentage points to create the recommended funded list.

Intercity Bus Funds are being distributed through a request for proposal (RFP) process. These proposals are reviewed against the proposal details and then awarded. The RTAP funds are distributed as technical assistance needs are identified and funding is available.

Timeline for Awards

For the 2013-15 biennium, the majority of the funding will be awarded through the consolidated grants process. The applications are due in December 2012 and will be evaluated using the components outlined in the Selection Criteria section by the evaluation team in January 2013. The results of the evaluation team will be submitted as a recommendation to WSDOT. In March/April of 2013, WSDOT will add the RTPO ranking percentage points and then review the recommendations. WSDOT will then make the final decision on the projects that are awarded. This process will take place in May/June of 2013 (when the Governor is approving the state biennial budget).

Successful applicants will start receiving award letters and grant agreements between May and July 2013. Agreements will begin July 1, 2013 and expire at the end of the biennium (June 30, 2015).

The Intercity Bus funding (FTA §5311 (f)) will continue to be distributed through a Request for Proposals (RFP) process. During the 2013-15 biennium, we will have four awarded contracts for intercity bus lines that will continue to run. There is also a potential for a fifth line (depending upon federal and local funding availability).

The RTAP funding is distributed throughout the biennium as technical assistance needs are identified.

Program Issues

The main issue is budgetary. If the state rural mobility and paratransit special needs dollars are decreased, it will also decrease the department's ability to leverage federal dollars to grantees. Additionally, SAFETEA-LU authorizing language expired in 2009. Congress has passed continuing resolutions until last month when MAP-21 was passed. The department is continuing to review and assess impact of these changes.

Program Funding

(\$ in millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
New Awards									
784-F §5311	\$12.70	\$13.50	\$18.20	\$18.20					
784-F §5311(f)	\$2.50	\$1.80	\$1.70	\$1.70					
784-F §5311 RTAP	\$0.21	\$0.21	\$0.21	\$0.21					
Reappropriations									
Total	\$15.41	\$15.51	\$20.11	\$20.11					

*13-15 is an estimate based on the 11-13 biennium as we do not know what the federal funding will be as the authorization language is under continuing resolution.

Expected cash flow by fund source

(\$ in millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
784-F §5311	\$12.70	\$14.00	\$18.20	\$18.20					
784-F §5311(f)	\$2.50	\$1.80	\$1.70	\$1.70					
784-F §5311 RTAP	\$0.21	\$0.21	\$0.21	\$0.21					
Total	\$15.41	\$16.01	\$20.11	\$20.11					

*13-15 is an estimate based on the 11-13 biennium as we do not know what the federal funding will be as the authorization language is under continuing resolution.

Number of Completed Projects

	03-05	05-07	07-09	09-11	11-13
Actual FTA §5311	20	40	27	39	
Planned FTA §5311					56
Actual FTA §5311(f)	11	9	6	4	
Planned FTA §5311(f)					4

Jobs Access and Reverse Commute (49 U.S.C. 5316)

Public Transportation – Program V

Program purpose and restrictions (if any)

This program benefits persons who receive welfare assistance and who meet the federal low-income requirements, or need transportation from urbanized and non-urbanized areas to suburban employment opportunities. These grants provide a service to people who rely on public transportation to get to employment or employment related activities. Federal Transit Administration (FTA) allows 5316 funding to be used for operating, capital and planning purposes.

Recipients are primarily non-profit organizations, private for profit organizations, state and local governments, and public transits with projects located in rural and small urban areas. WSDOT currently have an agreement with the Puget Sound Regional Council (PSRC) and the Spokane Regional Transportation Council (SRTC) to administer their awards to non-profits and public agencies with projects located in the urban areas.

Authorization

This funding has been federally authorized under the following:

- 1) The Safe, Accountable, Flexible, Efficient Transportation Equity Act, a Legacy for Users (SAFETEA–LU) (Pub. L. 109–059) signed into law on August 10, 2005, and codified in 49 U.S.C. Chapter 53.
- 2) FTA Circular 9050.1.
- 3) The code assigned to the Section 5316 program in the Catalogue of Federal Domestic Assistance is 20.516.

Selection Criteria

WSDOT distributes grant funds through a competitive application process that leverages state and federal funds. Projects are derived from locally developed Human Service Transportation Plans conducted by the Regional Transportation Planning Organizations (RTPO). Each RTPO submits a ranked project list that WSDOT combines with the statewide review process.

WSDOT establishes evaluation teams that review applications and make recommendations to WSDOT regarding project priorities. WSDOT's review team includes transportation planners, service providers, local governments, tribes, riders, transportation brokers and social service agencies.

Evaluation team members review the applications for:

- 1) Project Component Questions: Does the project establish, preserve, or improve public transportation services in a community? Does the project address a recognized

need in the community? Does the project reflect a community process of coordination and input?

- 2) Applicant Component Questions: Does the applicant report sufficient financial capability and resources to implement and successfully carry out the project? Does the applicant report a long-term commitment to the project to continue the effort beyond the availability of the requested grant resources?
- 3) Performance Component Questions: Does the project define the performance measures to be used in determining the success of the project? Does the project describe an active effort aimed at improving efficiency and effectiveness?

A forced-pair method is used to compare project applications. Each project is compared to a sampling of every other project. A list of ranked projects is developed from the calculated evaluation team scores. WSDOT then adds in the RTPO ranking percentage points to create the recommended funded list.

PSRC and SRTC each run a competitive process and then forward the projects that were awarded to us to administer.

Timeline for Awards

For the 2013-15 biennium, the majority of the funding will be awarded through the consolidated grants process, with applications due in December 2012.

The applications will be evaluated using the components outlined in the Selection Criteria section by the evaluation team in January 2013. The results of the evaluation team will be submitted as a recommendation to WSDOT. In March/April of 2013, WSDOT will add the RTPO ranking percentage points and then review the recommendations. WSDOT will then make the final decision on the projects that are awarded. This process will take place in May/June of 2013 (when the governor is approving the state biennial budget).

Successful applicants will start receiving award letters and grant agreements between May and July 2013. The agreements will start on July 1, 2013 and expire at the end of the biennium (June 30, 2015).

Program Issues

The main issue is budgetary. If the state rural mobility and paratransit special needs dollars are decreased, it will also decrease the department's ability to leverage federal dollars to grantees.

Additionally, SAFETEA-LU authorizing language expired in 2009. Congress has passed continuing resolutions until last month when MAP-21 was passed. The department is continuing to review and assess impact of these changes.

Program Funding

(Funds shown in millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
New Awards									
784-F	\$2.54	\$2.30	\$3.50	\$3.50					
784-F PSRC	\$0.65	\$1.40	\$2.20	\$2.20					
784-F SRTC			\$0.80	\$0.80					
Reapprops									
Total	\$3.19	\$3.70	\$6.50	\$6.50					

*13-15 is an estimate based on the 11-13 biennium as we do not know what the federal funding will be as the authorization language is under continuing resolution.

Expected cash flow by fund source

(Funds shown in millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
784-F	\$2.54	\$2.30	\$3.50	\$3.50					
784-F PSRC	\$0.65	\$1.40	\$2.20	\$2.20					
784-F SRTC			\$0.80	\$0.80					
Total	\$3.19	\$3.70	\$6.50	\$6.50					

*13-15 is an estimate based on the 11-13 biennium as we do not know what the federal funding will be as the authorization language is under continuing resolution.

Number of Completed Projects

	03-05	05-07	07-09	09-11	11-13
Actual FTA §5316	20	8	16	13	
Planned FTA §5316					16
Actual FTA §5316 PSRC			6	10	
Planned FTA §5316 PSRC					12
Actual FTA §5316 SRTC					
Planned FTA §5316 SRTC					1

New Freedom (49 U.S.C. 5317)

Public Transportation – Program V

Program purpose and restrictions (if any)

This program benefits people with disabilities that have barriers to transportation services. New Freedom grants provide additional tools to people to overcome existing barriers facing Americans with disabilities seeking the ability to enter the work force and other societal activities. Federal Transit Administration (FTA) allows 5317 funding to be used for operating, capital and planning purposes.

Recipients are primarily non-profit organizations, private for profit organizations, state and local governments, and public transits with projects located in rural and small urban areas. The department currently has an agreement with the Puget Sound Regional Council (PSRC) and the Spokane Regional Transportation Council (SRTC) to administer their awards to non-profits and public agencies with projects located in the urban areas.

Authorization

This funding has been federally authorized under the following:

- 1) The Safe, Accountable, Flexible, Efficient Transportation Equity Act, a Legacy for Users (SAFETEA–LU) (Pub. L. 109–059) signed into law on August 10, 2005, and codified in 49 U.S.C. Chapter 53.
- 2) FTA Circular 9045.1.
- 3) The code assigned to the Section 5317 program in the Catalogue of Federal Domestic Assistance is 20. 521.

Selection Criteria

WSDOT distributes grant funds through a competitive application process that leverages state and federal funds. Projects are derived from locally developed Human Service Transportation Plans conducted by the Regional Transportation Planning Organizations (RTPO). Each RTPO submits a ranked project list that WSDOT combines with the statewide review process.

WSDOT establishes evaluation teams that review applications and make recommendations to WSDOT regarding project priorities. WSDOT's review team includes transportation planners, service providers, local governments, tribes, riders, transportation brokers and social service agencies.

Evaluation team members review the applications for:

- 1) Project Component Questions: Does the project establish, preserve, or improve public transportation services in a community? Does the project address a recognized need in the community? Does the project reflect a community process of coordination and input?

- 2) Applicant Component Questions: Does the applicant report sufficient financial capability and resources to implement and successfully carry out the project? Does the applicant report a long-term commitment to the project to continue the effort beyond the availability of the requested grant resources?
- 3) Performance Component Questions: Does the project define the performance measures to be used in determining the success of the project? Does the project describe an active effort aimed at improving efficiency and effectiveness?

A forced-pair method is used to compare project applications. Each project is compared to a sampling of every other project. A list of ranked projects is developed from the calculated evaluation team scores. WSDOT then adds in the RTPO ranking percentage points to create the recommended funded list.

For the funding received from PSRC and SRTC, each run a competitive process and then forward the projects that were awarded to WSDOT to administer.

Timeline for Awards

For the 2013-15 biennium, the majority of the funding will be awarded through the consolidated grants process. The applications are due in December 2012.

The applications will be evaluated using the components outlined in the Selection Criteria section by the evaluation team in January 2013. The results of the evaluation team will be submitted as a recommendation to WSDOT. In March/April of 2013, WSDOT will add the RTPO ranking percentage points and then review the recommendations. WSDOT will then make the final decision on the projects that are awarded. This process will take place in May/June of 2013 (when the Governor is approving the state biennial budget).

Successful applicants will start receiving award letters and grant agreements between May and July 2013. The agreements will start on July 1, 2013 and expire at the end of the biennium (June 30, 2015).

Program Issues

The main issue is budgetary. If the state rural mobility and paratransit special needs dollars are decreased, it will also decrease the department's ability to leverage federal dollars to grantees.

Additionally, SAFETEA-LU authorizing language expired in 2009. Congress has passed continuing resolutions until last month when MAP-21 was passed. The department is continuing to review and assess impact of these changes.

Program Funding

(Funds shown are in millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
New Awards									
784-F	\$1.18	\$1.15	\$2.41	\$2.41					
784-F PSRC	\$0.81	\$0.76	\$1.91	\$1.91					
784-F SRTC		\$0.26							
Reapprops									
Total	\$1.99	\$2.17	\$4.32	\$4.32					

Expected cash flow by fund source

(Funds shown are in millions)

	07-09	09-11	11-13	13-15	15-17	17-19	19-21	21-23	23-25
784-F	\$1.18	\$1.15	\$2.41	\$2.41					
784-F PSRC	\$0.81	\$0.76	\$1.91	\$1.91					
784-F SRTC		\$0.26							
Total	\$1.99	\$2.17	\$4.32	\$4.32					

Number of Completed Projects

	03-05	05-07	07-09	09-11	11-13
Actual FTA §5317			14	8	
Planned FTA §5317					17
Actual FTA §5317 PSRC			6	9	
Planned FTA §5317 PSRC					8
Actual FTA §5317 SRTC				1	
Planned FTA §5317 SRTC					0

Freight Rail Assistance Program

Rail Capital – Program Y

Program purpose and restrictions (if any)

The Washington State Legislature authorized the department to provide grants to:

- Support branch lines and light density rail lines
- Provide or improve rail access to ports
- Maintain adequate mainline capacity
- Preserve or restore rail corridors and infrastructure

The program is only constrained by the size of the funding allocated to the program.

Authorization

The program is authorized by RCW 47.76. The 2011-13 biennium budget authorized \$2.75 million.

Selection Criteria

Points are awarded using the following point system:

1. Economic development benefits (including cost/benefit analysis) - 25 points
2. Viability of proposal: financial sustainability – 15 points
3. Financial and or in kind participation by other funding source – 10 points
4. Safety improvements and /or urgent needs – 10 points
5. Preservation of rail corridor – 10 points
6. Geographic balance – 10 points
7. Reduction of delays on statewide rail system – 5 points
8. Reduction in Greenhouse gasses (RCW 70.235.070) – 5 points
9. Reduced impacts on roads – 5 points
10. Environmental benefits – 5 points

Timeline for awards

The call for projects was issued on June 11, 2012. Submissions are due on July 31, 2012. WSDOT will review submissions based on stated criteria above and ensure projects meet design and environmental requirements to be included in final submissions. The recommendations are a joint product of a team from WSDOT, and approved by its senior executives. Submission to OFM is due no later than November 1, 2012. The final list is approved by OFM.

Program Issues

N/A

Program Funding

(\$ in millions)

	11-13	13-15	15-17	17-19	19-21	21-23	23-25	25-27	27-29
New Awards									
MMA - S	\$1.750	\$2.439	\$2.594	\$2.623	\$2.750	\$2.750	\$2.750	\$2.750	\$2.750
ERAA – S	\$1.000	\$0.311	\$0.156	\$0.127	\$0	\$0	\$0	\$0	\$0
Reappropriations									
MMA - S	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ERAA – S	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$2.750	\$2.750	\$2.750	\$2.750	\$2.750	\$2.750	\$2.750	\$2.750	\$2.750

Expected Cash Flow by Fund Source

(\$ in millions)

	11-13	13-15	15-17	17-19	19-21	21-23	23-25	25-27	27-29
MMA - S	\$1.754	\$2.439	\$2.594	\$2.623	\$2.750	\$2.750	\$2.750	\$2.750	\$2.750
ERAA – S	\$1.000	\$0.311	\$0.156	\$0.127	\$0	\$0	\$0	\$0	\$0
Total	\$2.750	\$2.750	\$2.750	\$2.750	\$2.750	\$2.750	\$2.750	\$2.750	\$2.750

Number of Completed Projects:

	05-07	07-09	09-11	11-13
Actual	3	5	7	
Planned				8

Freight Rail Investment Bank

Rail Capital – Program Y

Program purpose and restrictions (if any)

The Freight Rail Investment Bank provides loans for smaller rail capital projects. Loans are available up to \$250,000, but applications are open to loans of any size within the maximum amount available. Projects must have a matching source of at least 20 percent. The program is restricted to publicly-owned rail infrastructure projects due to a constitutional restriction on loaning funds to private entities.

Authorization

ESHB 2878 Section 310, Chapter 121, Laws of 2008. The department’s proposed budget request is \$5 million for the 2013–15 biennium.

Selection Criteria

The following criteria will be used to evaluate and prioritize proposals:

1. Value to community expressed in dollar terms. This may be all or some of the state, the local community of the freight system. Up to 40 points
2. Strategic benefit (e.g., how integral is project to future development of the rail line, the area, the specific business, etc.). Up to 35 points
3. Matching funds scaled according to the contribution. Up to 25 points

Timeline for awards

The calls for projects were issued on June 11, 2012. Projects have to be submitted by July 31, 2012. The Freight Systems Division along with project delivery resources from the Rail Office will assesses the priority list sent to OFM for approval through the Executive Management of WSDOT. This has to be submitted by November 1, 2012. The final list is approved by OFM.

Program Issues

The large proportion of shortlines in the state are in the private sector, but the state constitution prevents loans being made to the private sector.

Program Funding

\$ in millions

	11-13	13-15	15-17	17-19	19-21	21-23	23-25	25-27	27-29
New									
TInA - S	\$5.10	\$8.58	\$5.00	\$5.00	\$5.00	\$5.00	\$6.00	\$5.00	\$5.00
Reapprops									
TInA - S	\$0	\$0	\$	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$5.10	\$8.58	\$5.00	\$5.00	\$5.00	\$5.00	\$6.00	\$5.00	\$5.00

Expected Cash Flow by Fund Source

\$ in millions

	11-13	13-15	15-17	17-19	19-21	21-23	23-25	25-27	27-29
TInA - S	\$5.100	\$8.582	\$5.000	\$5.000	\$5.000	\$5.000	\$6.000	\$5.000	\$5.000
Total	\$5.100	\$8.582	\$5.000	\$5.000	\$5.000	\$5.000	\$6.000	\$5.000	\$5.000

Number of Completed Projects

	05-07	07-09	09-11	11-13
Actual	N/A	4	2	
Planned				9

Pedestrian Bicycle/Safe Routes to School Program Highways & Local Programs (Program Z)

Program purpose and restrictions

These grant programs support pedestrian and bicycle mobility projects such as pedestrian and bicycle paths, sidewalks, crossing improvement in downtown areas, safe routes from residential areas to schools and transit on state highways, city streets and county roads. The program has two parts: (1) Pedestrian & Bicycle Mobility to stimulate economic revitalization and healthy communities initiatives by improving safety and reducing modal conflicts in community centers (pedestrians, transit, motor vehicles, freight, bicyclists, etc.); and (2) Safe Routes to School to address pedestrian and bicycle mobility and safety near schools.

Authorization

State funds have been identified beginning with the 2005 revenue package and have been authorized in each succeeding transportation budget since that time by providing appropriation authority from the Motor Vehicle Account, the Multi-Modal Account and from the Transportation Partnership Account. The 2012 Legislature also appropriated funds for these programs from the Highway Safety Account.

Selection Criteria

All complete proposals are reviewed and evaluated by an advisory group utilizing criteria to identify projects that will help stimulate economic revitalization and healthy communities' initiatives by improving safety and reducing modal conflicts in community centers (pedestrians, transit, motor vehicles, freight, bicyclists, etc.). Site visits are conducted by Highways and Local Programs (H&LP) staff, to insure the proposed project addresses the issues outlined in the proposals. Projects that focus on long term solutions, and can be delivered, will have a higher rating.

Timeline for awards

The call for projects was issued in January 2012 with proposals due before the end of June 2012. Proposals are reviewed and prioritized from June-November 2012. A priority listing of projects is submitted to the Governor's office and Legislature by December 15, 2012.

Program Issues

The Joint Transportation Committee recently completed a study for the legislature, "Efficiencies in the Delivery of Transportation Funding & Services to Local Governments" in December 2011. The study's recommendation #9 concluded that H&LP, for the Safe Routes to School and Pedestrian and Bicycle Safety programs, should be given the ability to finalize their project lists without specific legislative approval of each individual project. This recommendation allows H&LP to release funds earlier than currently occurs, speeding project implementation by as much as a construction season and that in down cycles could also reduce construction costs. This approach requires a change in the attached proviso section 310 (5) & (6).

Performance measures, outcomes and goals

Both grant programs have a primary goal of reducing modal conflicts (pedestrians, transit, motor vehicles, freight, bicyclists, etc.). For the Safe Routes to School program, the percent increase of children walking and biking to school is measured before and after the safety, access, and mobility improvements.

Administration of the Grant Program

Administration is not specific to the grant program but is covered through the administration funding for the H&LP division’s program funding.

Program Funding: This is the amount available or planned to award to new grants by fund source and expected reappropriations by fund source. The total of the columns should add to your approved (2011-13) or planned (2013-15) budget amounts without consideration of cash flow adjustments.

\$ in millions	09-11	11-13	13-15	15-17	17-19	19-21
New Awards						
TPA-S			\$4.0			
MVA-F			\$0.0			
MMA-S			\$8.0			
HSF-S			\$6.8			
TOTAL			\$18.8			
Reappropriations						
TPA-S			\$2.5			
MVA-F			\$1.9			
MMA-S			\$2.0			
HSF-S			\$1.3			
TOTAL			\$7.7			

Expected cash flow by fund source: (Please estimate the amount of actual expenditures per biennium by fund source. Generally, this should be lower than the awarded amount of the grants.)

\$ in millions	09-11	11-13	13-15	15-17	17-19	19-21
TPA-S	\$1.8	\$3.7	\$6.5			
MVA-F	\$6.4	\$11.1	\$1.9			
MMA-S	\$10.5	\$12.8	\$10.0	\$8.0	\$8.0	\$8.0
HSF-S		\$1.0	\$8.1	\$6.8	\$6.8	\$6.8
Total	\$18.7	\$28.6	\$26.5	\$14.8	\$14.8	\$14.8

Number of Completed Projects:

	09-11	11-13	13-15	15-17	17-19	19-21
Actual	31	33				
Planned		35	30			

Section 310 Program Z – Capital

5 ~~((6) \$11,557,000)~~ (5) \$14,813,000 of the multimodal
6 transportation account--state appropriation, ~~((12,136,000))~~
7 \$12,804,000 of the motor vehicle account--federal appropriation, and
8 ~~((5,195,000))~~ \$6,241,000 of the transportation partnership account--
9 state appropriation and \$ of the highway safety account—state
10 appropriation are provided solely for the pedestrian and bicycle
11 safety program projects and safe routes to schools program projects
12 identified in: ~~LEAP Transportation Document 2011 A, pedestrian and~~
13 ~~bicycle safety program projects and safe routes to schools program~~
14 ~~projects, as developed April 19, 2011; LEAP Transportation Document~~
15 ~~2009 A, pedestrian and bicycle safety program projects and safe routes~~
16 ~~to schools program projects, as developed March 30, 2009; LEAP~~
17 ~~Transportation Document 2007 A, pedestrian and bicycle safety program~~
18 ~~projects and safe routes to schools program projects, as developed~~
19 ~~April 20, 2007; and LEAP Transportation Document 2006 B, pedestrian and~~
20 ~~bicycle safety program projects and safe routes to schools program~~
21 ~~projects, as developed March 8, 2006. Projects must be allocated~~
22 funding based on order of priority. The department shall review all
23 projects receiving grant awards under this program at least
24 semiannually to determine whether the projects are making satisfactory
25 progress. Any project that has been awarded funds, but does not report
26 activity on the project within one year of the grant award must be
reviewed by the department to determine whether the grant should be

27 terminated. The department shall promptly close out grants when
28 projects have been completed, and identify where unused grant funds
29 remain because actual project costs were lower than estimated in the
30 grant award.

31 ~~((7))~~ (6) Except as provided otherwise in this section, the
32 entire appropriations in this section are provided solely for the
33 projects and activities as ~~listed by project and amount in LEAP~~
34 ~~Transportation Document ((2011-2)) 2012-1 ALL PROJECTS as developed~~
35 ~~((April 19, 2011)) March 8, 2012~~, approved by Program - Local Program (Z).

Nickel and TPA Status Reports

NICKEL AND TPA STATUS REPORTS

Cost Estimate Comparison

As in Chapter 367, Laws of 2011, the Department will provide an update that compares the original project cost estimates in the 2003 and 2005 transportation lists to the completed costs of the project, or the most recent legislatively approved budget and total project costs for projects not yet completed. This update is included in the Capital Improvement and Preservation Program (CIPP) overview document.

Transportation Executive Information System and Required Project Information (WSDOT)

TRANSPORTATION EXECUTIVE INFORMATION SYSTEM (TEIS) AND REQUIRED PROJECT INFORMATION

Capital Facilities

The 2013-15 budget proposal for Capital Facilities does not include a request for any new buildings.

Mega Projects

A summary highlighting the work that will be completed in the ensuing biennium; the work completed to date; the original project cost estimate; the current project cost estimate; funding plan summary; and planned expenditures for the ensuing biennium is included in the Capital Improvement and Preservation Program (CIPP) overview document.

Job Estimates

Information on the number of jobs created, sustained or induced by the highway construction program is included in the CIPP overview document.

TEIS Variance Reports

Any major variances in cost, scope or schedule between the last enacted budget and legislative financial plan will be included in the CIPP overview document.

Explanation of Reappropriations

A narrative explanation of why projects proceeded more slowly than what was anticipated in the last enacted budget is included in the CIPP overview document.

Explanation for Advanced Projects

A narrative explanation of why projects proceeded more quickly than what was anticipated in the last enacted budget is included in the CIPP overview document.

Explanation of Major Cost Changes

A narrative explanation to explain project overruns or underruns that exceed \$500,000 or ten percent when compared to the last legislatively-enacted project list is included in the CIPP overview document.

Summary of "Section 603" Changes (OFM-Approved Cost Changes)

A summary of all Section 603 requests during the prior biennium is included in the CIPP overview document

Ferries (WSDOT Programs X and W)

Washington State Ferries

June 2012 Revenue and Ridership Forecasts — Fiscal Years 2012-2027

JUNE 2012 FORECAST NOTES

The fare revenue and ridership forecasts for Washington State Ferries (WSF) are completed in four stages. First, monthly ridership projections by seven fare categories are prepared for each route using time series analysis methods, with a forecast horizon from the present through fiscal year (FY) 2027.

The second stage of the process generates system-wide ridership projections. Econometric models combine ferry fare scenarios and state economic variables to produce system-wide unconstrained ridership forecasts by seven fare categories through FY 2027. Within each fare category, the individual route forecasts are then calibrated to match the system-wide forecast totals from the econometric models.

For the June Forecast, the vehicle fare categories were revised in the first two stages. Previous forecasts included six categories: (1) passenger full fares, (2) passenger commuter discounted fares, (3) passenger other discounted fares, (4) auto full fare, (5) auto commuter discounted fare, and (6) other vehicle fares. For June, the sixth fare category was segregated into (a) oversize vehicle fares and (b) other discounted vehicle fares. Oversize vehicle fares include all vehicles over 22 feet in length. Other discounted vehicle fares include autos with a senior or disabled driver and motorcycle fares. The creation of the two new fare categories from the other vehicle fares category improves forecasting accuracy by separating their different trends.

The third stage of the process consists of adjusting the calibrated passenger and vehicle ridership by route to reflect seasonal vehicle capacity constraints, changes in service hours, and/or the net impacts from adding or eliminating service.

Last, the appropriate fares and average fare realizations are applied to the calibrated, capacity-constrained ridership forecasts for each route by fare category. This yields monthly and annual revenue forecasts by route for seven fare categories.

Two scenarios differing in fare assumptions were prepared for June:

- **Baseline Forecast** – The Baseline Forecast assumes no changes to fares beyond the recent 3.0% fare increase on May 1, 2012, resulting in declining real fares through the forecast horizon due to general inflation.
- **Alternative 1 Forecast** – builds on the Baseline Forecast by adding consecutive 2.5% increases each October, from 2013 (FY 2014) through 2026 (FY 2027), which amounts to slightly increasing real fares under inflation projections.

The June 2012 Forecast results for FY 2012 include actual ridership counts and revenue collections through May 2012.

Ridership Impacts

The June 2012 ridership demand forecasts reflect the latest ridership data and updated economic variable projections produced by the State and Global Insight. The following points summarize the updated ridership forecast.

- The unconstrained demand projections for June range from 0.1% higher in FY 2014 to 1.3% lower in FY 2018 to 0.6% lower by FY 2027, relative to February.
- The June forecasts for non-agricultural employment are essentially unchanged through FY 2013. Thereafter, they have been revised downward slightly through the end of the forecast horizon, compared to February. This helps to maintain previously forecasted ridership levels in FY 2013 and 2014, but reduces the ridership projections by FY 2015 relative to February.
- Projections for real gasoline prices have been revised higher through FY 2022, putting downward pressure on vehicle ridership demand over the first 10 years of the forecast period, relative to February. By FY 2023, projected real gas prices have trended back to or slightly below their February levels, which contribute to the slight vehicle ridership increases in the out years relative to February.
- The forecast for inflation has been revised moderately downward over the forecast period. With no changes in the projected nominal fares since February, this results in higher real fares, which has a dampening effect on ridership levels.
- The forecast for real personal income has been revised slightly upward throughout the forecast horizon since February. This helps to bolster ridership demand and partially offset the above factors that generally contribute to lower ridership levels in the June Forecast.

Revenue Impacts

- The Baseline and Alternative 1 Forecast fare revenue projections for the 2011/13 biennium both equal \$314.2 M, or \$0.2 M (0.1%) lower than in February.
- The 2011/13 biennium revenue forecast is distributed as \$308.0 M fare revenue to the operating account and \$6.3 M in surcharge revenue to the capital account.
- For the 2013/15 biennium, revenue is projected to be \$331.9 M, or \$1.1 M (0.3%) higher than forecast in February. This amount is distributed as nearly \$324.1 M in fare revenue for operations and \$7.9 M in surcharges for capital.
- Revenues under both the Baseline and Alternative 1 Forecasts are projected to be slightly below their February Forecast levels over the remainder of the forecast horizon. By FY 2027, the Baseline Forecast is 0.6% lower and the Alternative 1 Forecast is 0.9% lower than their February levels.

Washington State Ferries

RIDERSHIP PROJECTIONS ~ BASELINE FORECAST

No Changes in the Current Posted Fares¹

June 2012 Forecast – Fiscal Years 2012-2027

Fiscal Year	June 2012 Unconstrained Demand Forecast*	June 2012 Capacity Constrained Projections				Annual Rate of Growth	February 2012 Projections	
		Passenger Ridership	Vehicle/Driver Ridership	Total Ridership	Total Ridership		Jun. % Chg from Feb.	
2008 ²		12,926,006	10,441,798	23,367,804	(2.6%)			
2009 ²		12,580,511	9,917,249	22,497,760	(3.7%)			
2010 ²		12,453,226	10,134,311	22,587,537	0.4%			
2011 ²		12,242,320	9,968,973	22,211,293	(1.7%)			
2012 ²	22,201,000	12,225,000	9,976,000	22,201,000	(0.0%)		22,620,000	(1.9%)
2013	22,599,000	12,428,000	9,878,000	22,306,000	0.5%		22,336,000	(0.1%)
2014	23,196,000	12,733,000	10,163,000	22,896,000	2.6%		22,867,000	0.1%
2015	23,874,000	13,092,000	10,473,000	23,565,000	2.9%		23,744,000	(0.8%)
2016	24,523,000	13,436,000	10,768,000	24,204,000	2.7%		24,479,000	(1.1%)
2017	25,108,000	13,746,000	11,036,000	24,782,000	2.4%		25,086,000	(1.2%)
2018	25,707,000	14,047,000	11,309,000	25,356,000	2.3%		25,677,000	(1.3%)
2019	26,306,000	14,360,000	11,553,000	25,913,000	2.2%		26,222,000	(1.2%)
2020	26,920,000	14,677,000	11,783,000	26,460,000	2.1%		26,744,000	(1.1%)
2021	27,552,000	15,010,000	11,980,000	26,990,000	2.0%		27,264,000	(1.0%)
2022	28,113,000	15,353,000	12,107,000	27,460,000	1.7%		27,724,000	(1.0%)
2023	28,709,000	15,702,000	12,243,000	27,945,000	1.8%		28,168,000	(0.8%)
2024	29,348,000	16,084,000	12,353,000	28,437,000	1.8%		28,635,000	(0.7%)
2025	30,033,000	16,502,000	12,419,000	28,921,000	1.7%		29,128,000	(0.7%)
2026	30,736,000	16,935,000	12,471,000	29,406,000	1.7%		29,622,000	(0.7%)
2027	31,457,000	17,379,000	12,510,000	29,889,000	1.6%		30,125,000	(0.8%)

¹ The Baseline Forecast includes a 2.5% fare increase on October 1, 2011, a 3.0% fare increase on May 1, 2012, the fare revisions associated with creating a new under 14' vehicle category, and the effects of a 25¢ per fare surcharge for capital. The Baseline Forecast assumes no further changes to the nominal fares thereafter. This leads to declining real fares over the forecast horizon. The Baseline Forecast also reflects the current programmed level of service subject to capacity constraints.

² Reflects/includes historical data.

* Before the demand impact of the capital surcharge

Washington State Ferries

RIDERSHIP PROJECTIONS ~ ALTERNATIVE 1 FORECAST

2.5% Annual Fare Increases FY 2012-27¹

June 2012 Forecast – Fiscal Years 2012-2027

Fiscal Year	June 2012 Unconstrained Demand Forecast*	June 2012 Capacity Constrained Projections				February 2012 Projections	
		Passenger Ridership	Vehicle/Driver Ridership	Total Ridership	Annual Rate of Growth	Total Ridership	Jun. % Chg from Feb.
2008 ²		12,926,006	10,441,798	23,367,804	(2.6%)		
2009 ²		12,580,511	9,917,249	22,497,760	(3.7%)		
2010 ²		12,453,226	10,134,311	22,587,537	0.4%		
2011 ²		12,242,320	9,968,973	22,211,293	(1.7%)		
2012 ²	22,201,000	12,225,000	9,976,000	22,201,000	(0.0%)	22,620,000	(1.9%)
2013	22,599,000	12,428,000	9,878,000	22,306,000	0.5%	22,336,000	(0.1%)
2014	23,088,000	12,673,000	10,121,000	22,794,000	2.2%	22,763,000	0.1%
2015	23,549,000	12,907,000	10,349,000	23,256,000	2.0%	23,440,000	(0.8%)
2016	23,981,000	13,126,000	10,565,000	23,691,000	1.9%	23,967,000	(1.2%)
2017	24,336,000	13,297,000	10,752,000	24,049,000	1.5%	24,361,000	(1.3%)
2018	24,681,000	13,447,000	10,953,000	24,400,000	1.5%	24,720,000	(1.3%)
2019	25,018,000	13,605,000	11,130,000	24,735,000	1.4%	25,057,000	(1.3%)
2020	25,369,000	13,766,000	11,306,000	25,072,000	1.4%	25,393,000	(1.3%)
2021	25,730,000	13,939,000	11,478,000	25,417,000	1.4%	25,719,000	(1.2%)
2022	26,018,000	14,119,000	11,568,000	25,687,000	1.1%	25,982,000	(1.1%)
2023	26,337,000	14,304,000	11,675,000	25,979,000	1.1%	26,232,000	(1.0%)
2024	26,690,000	14,514,000	11,778,000	26,292,000	1.2%	26,510,000	(0.8%)
2025	27,064,000	14,737,000	11,872,000	26,609,000	1.2%	26,825,000	(0.8%)
2026	27,440,000	14,954,000	11,967,000	26,921,000	1.2%	27,141,000	(0.8%)
2027	27,825,000	15,176,000	12,059,000	27,235,000	1.2%	27,453,000	(0.8%)

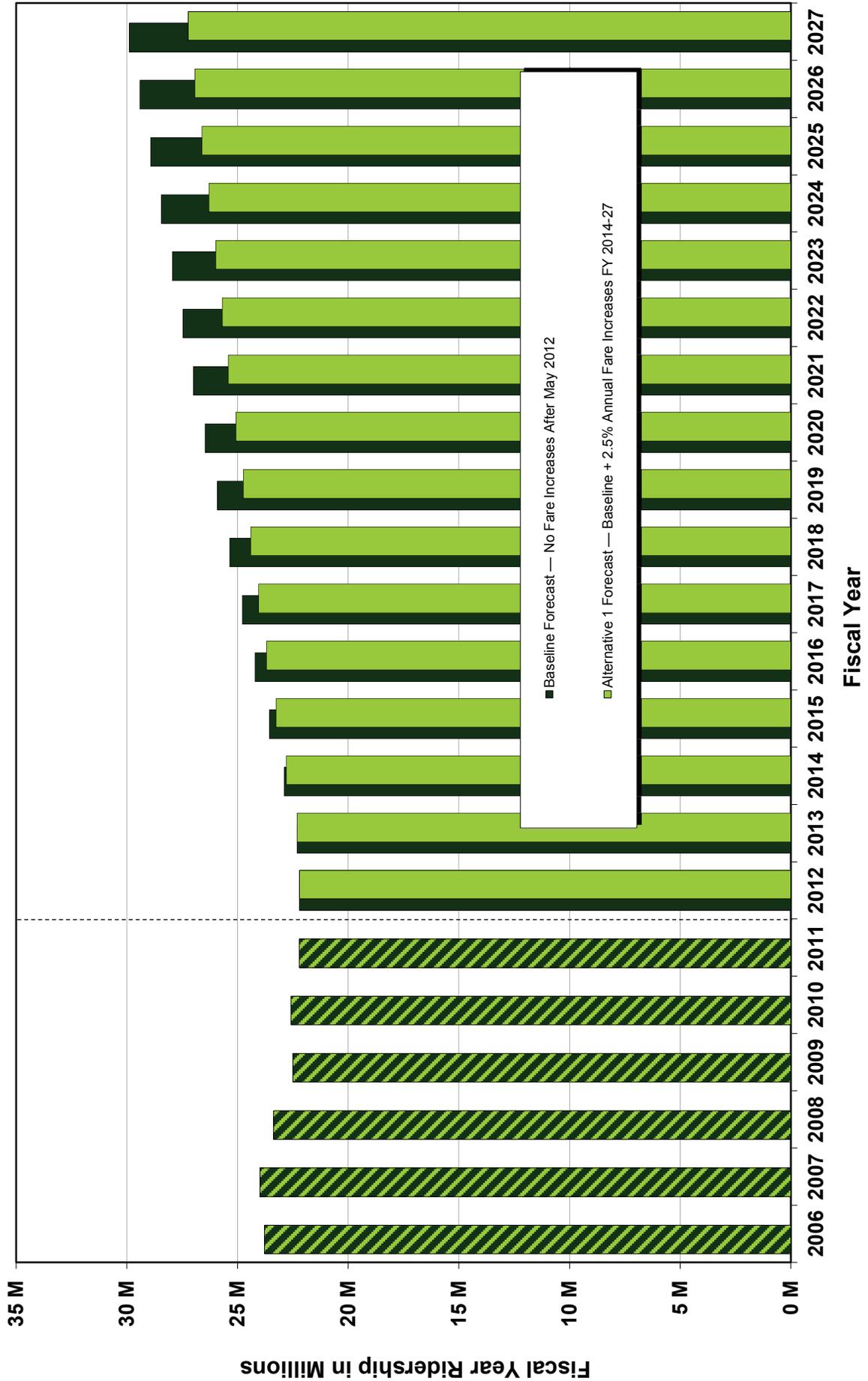
¹ The Alternative 1 Forecast includes a 2.5% fare increase on October 1, 2011, a 3.0% fare increase on May 1, 2012, the fare revisions associated with creating a new under 14' vehicle category, and the effects of a 25¢ per fare surcharge for capital. The Alternative 1 Forecast also assumes 2.5% annual base fare increases, starting October 1, 2013. This results in increasing real fares under the current inflation projection. The Alternative 1 Forecast also reflects the current programmed level of service subject to capacity constraints.

² Reflects/includes historical data.

* Before the demand impact of the capital surcharge

Washington State Ferries — Ridership History and Forecast Trends

June 2012 Forecast Scenarios — Fiscal Years 2006-2027



Adopted June 20, 2012



6/18/2012
Washington State Ferries

Level-of-Service Standards

Route	Level 1 Standards			Level 2 Standards		
	(Consider Targeted Strategies to Spread Demand and Improve Customer Experience)			(Assets are Being Used Efficiently, Consider Additional Investment)		
	January	May	August	January	May	August
Pt Defiance - Tahlequah	25%	25%	30%	50%	50%	60%
Pt Townsend - Keystone	25%	30%	35%	75%	75%	85%
Mukilteo - Clinton	25%	25%	30%	65%	65%	75%
Fauntleroy - Vashon	25%	25%	30%	50%	50%	60%
Fauntleroy - Southworth	25%	25%	30%	50%	50%	60%
Seattle - Bremerton	25%	25%	30%	50%	50%	60%
Edmonds - Kingston	25%	25%	30%	65%	65%	75%
Seattle - Bainbridge	25%	25%	30%	65%	65%	75%
Anacortes - San Juan Islands	25%	30%	35%	65%	75%	85%
Anacortes - Sidney	n/a	50%	50%	n/a	100%	100%

**Washington State Ferries Fuel Cost Estimates
Estimates Based on June 2012 Motor Fuel Price Forecast
(as of June 20, 2012)**

CFL Gallons

	FY 2014	FY 2015	2013-2015 Biennium (Projected)
Estimated usage - based on 2011-13 service added for Operating Olympic class vessels (see Decision Pkg PL-XB) Reduced for Service Reductions (see Decision Pkg PL-1B)	17,928,600	17,928,600	35,857,200
2011-13 Ferries Fuel Appropriation (as of 2012 Supplemental)			\$136,648,000
Gallons in Budget	17,928,600	17,928,600	35,857,200
Additional Gallons reduced/required over Budgeted Gallons	-	-	-
Total Gallons Required	17,928,600	17,928,600	35,857,200
<i>non-hedged</i>			
Total Gallons Not Hedged	17,928,600	17,928,600	35,857,200
<i>Average price per gallon biodiesel (B5), inc tax</i>	<i>\$3.58</i>	<i>\$3.69</i>	<i>\$3.64</i>
Cost of Non-Hedged Fuel, inc-tax	\$64,184,388	\$66,156,534	\$130,340,922
TOTAL Fuel Costs Including Taxes and Fees	\$64,184,000	\$66,157,000	\$130,341,000
<i>Average Cost per Gallon including taxes and fees</i>	<i>\$3.58</i>	<i>\$3.69</i>	<i>\$3.64</i>
Fuel Hedging Consultant Cost	\$50,000	\$50,000	\$100,000
Total Cost of Fuel and Hedging Consultant	\$64,234,000	\$66,207,000	\$130,441,000
<i>Average Cost per Gallon including Taxes, Fees, and Hedging Consultant</i>	<i>\$3.58</i>	<i>\$3.69</i>	<i>\$3.64</i>
Variance between total cost estimate and ferry fuel appropriation			(\$6,207,000)

Note: Chapter 16, Laws of 2011 (2ESSB 5742) exempts WSF from having to pay sales tax on fuel purchased for ferries beginning in 2013-15.

(PPG from Figure 15 Near-and Long-term Annual Fuel Price - Page 15 of June 2012 Transportation Revenue Forecast Summary (Volume I))

Washington State Ferries Fuel Cost Estimates
Estimates Based on June 2012 Motor Fuel Price Forecast
 (as of June 20, 2012)

PL-XB Olympic Class Gallons

	FY 2014	FY 2015	2013-2015 Biennium (Projected)
Estimated usage - based on 2011-13 service added for Operating Olympic class vessels (see Decision Pkg PL-XB) Reduced for Service Reductions (see Decision Pkg PL-1B)	-	-	-
	112,848	391,008	503,856
	-	-	-
Gallons in Budget	-	-	-
Additional Gallons reduced/required over Budgeted Gallons	112,848	391,008	503,856
Total Gallons Required	112,848	391,008	503,856
<i>non-hedged</i>			
Total Gallons Not Hedged	112,848	391,008	503,856
<i>Average price per gallon biodiesel (B5), inc tax</i>	\$3.58	\$3.69	\$3.67
Cost of Non-Hedged Fuel , inc-tax	\$403,996	\$1,442,820	\$1,846,815
TOTAL Fuel Costs Including Taxes and Fees	\$404,000	\$1,443,000	\$1,847,000
<i>Average Cost per Gallon including taxes and fees</i>	\$3.58	\$3.69	\$3.67

Note: Chapter 16, Laws of 2011 (2ESSB 5742) exempts WSF from having to pay sales tax on fuel purchased for ferries beginning in 2013-15.

(PPG from Figure 15 Near-and Long-term Annual Fuel Price - Page 15 of June 2012 Transportation Revenue Forecast Summary (Volume I))

**Washington State Ferries Fuel Cost Estimates
Estimates Based on June 2012 Motor Fuel Price Forecast**
(as of June 20, 2012)

PL-1B Service Reduction Gallons

	FY 2014	FY 2015	2013-2015 Biennium (Projected)
Estimated usage - based on 2011-13 service added for Operating Olympic class vessels (see Decision Pkg PL-XB)	-	-	-
Reduced for Service Reductions (see Decision Pkg PL-1B)	(378,280)	(426,160)	(804,440)
Gallons in Budget	-	-	-
Additional Gallons reduced/required over Budgeted Gallons	(378,280)	(426,160)	(804,440)
Total Gallons Required	(378,280)	(426,160)	(804,440)
<i>non-hedged</i>			
Total Gallons Not Hedged	(378,280)	(426,160)	(804,440)
<i>Average price per gallon biodiesel (B5), inc tax</i>	\$3.58	\$3.69	\$3.64
Cost of Non-Hedged Fuel, inc-tax	(\$1,354,242)	(\$1,572,530)	(\$2,926,773)
TOTAL Fuel Costs Including Taxes and Fees	(\$1,354,000)	(\$1,573,000)	(\$2,927,000)
<i>Average Cost per Gallon including taxes and fees</i>	\$3.58	\$3.69	\$3.64

Note: Chapter 16, Laws of 2011 (2ESSB 5742) exempts WSF from having to pay sales tax on fuel purchased for ferries beginning in 2013-15.

(PPG from Figure 15 Near-and Long-term Annual Fuel Price - Page 15 of June 2012 Transportation Revenue Forecast Summary (Volume I))

Washington State Ferries Fuel Cost Estimates
Estimates Based on June 2012 Motor Fuel Price Forecast
 (as of June 20, 2012)

All Gallons

	FY 2014	FY 2015	2013-2015 Biennium (Projected)
Estimated usage - based on 2011-13 service added for Operating Olympic class vessels (see Decision Pkg PL-XB) Reduced for Service Reductions (see Decision Pkg PL-1B)	17,928,600 112,848 (378,280)	17,928,600 391,008 (426,160)	35,857,200 503,856 (804,440)
Proposed Fuel Approp Adjusted for Agency Proposed Decision Packages			\$135,568,000
Gallons in Budget	17,928,600	17,928,600	35,857,200
Additional Gallons reduced/required over Budgeted Gallons	(265,432)	(35,152)	(300,584)
Total Gallons Required	17,663,168	17,893,448	35,556,616
<i>non-hedged</i>			
Total Gallons Not Hedged	17,663,168	17,893,448	35,556,616
<i>Average price per gallon biodiesel (B5), inc tax</i>	<i>\$3.58</i>	<i>\$3.69</i>	<i>\$3.64</i>
Cost of Non-Hedged Fuel, inc-tax	\$63,234,141	\$66,026,823	\$129,260,965
TOTAL Fuel Costs Including Taxes and Fees	\$63,234,000	\$66,027,000	\$129,261,000
<i>Average Cost per Gallon including taxes and fees</i>	<i>\$3.58</i>	<i>\$3.69</i>	<i>\$3.64</i>
Fuel Hedging Consultant Cost	\$50,000	\$50,000	\$100,000
Total Cost of Fuel and Hedging Consultant	\$63,284,000	\$66,077,000	\$129,361,000
<i>Average Cost per Gallon including Taxes, Fees, and Hedging Consultant</i>	<i>\$3.58</i>	<i>\$3.69</i>	<i>\$3.64</i>
Variance between total cost estimate and proposed fuel appropriation			(\$6,207,000)

Note: Chapter 16, Laws of 2011 (2ESSB 5742) exempts WSF from having to pay sales tax on fuel purchased for ferries beginning in 2013-15.

WSF 2013-15 Capital Budget Request Capital Basics

Washington State Ferries (WSF) infrastructure consists of two distinct types of assets: ferry terminals and a maintenance facility and vessels. Policy makers have expressed interest in being able to identify investments in terminals and the maintenance facility separately from investments in vessels.

WSF Assets: WSF's infrastructure consists of land-based facilities and vessels. WSF operates 20 terminals that provide vessel reception; customer access to and clearance of terminal facilities; vehicle and passenger staging, holding, loading and unloading facilities; and connections with other modes of transportation. Also, WSF operates a major maintenance facility at Eagle Harbor. Finally, the fleet consists of 23 existing vessels and two vessels under construction. These vessels accommodate vehicles and passengers.

The table below lists WSF's vessels and terminals and summarizes the major characteristics of these capital assets in terms of vessel carrying capacity and terminal throughput capacity.

Vessels and Characteristics			Terminals and Characteristics							
Vessel	Passenger Capacity	Auto Capacity	Terminal	Ownership	Toll Booths	Holding Capacity	Transfer Spans Primary Tie-up	Waiting Area	Overhead Loading	Public Transit
Jumbo Mark II Class			Anacortes	Other	4	480	2 2	Yes	Yes	Yes
MV Puyallup	2500	202	Bainbridge Is.	WSF	4	208	2 1	Yes	Yes	Yes
MV Tacoma	2500	202	Bremerton	WSF	3	195	2 0	Yes	Yes	Yes
MV Wenatchee	2500	202	Clinton	WSF	4	190	2 0	Yes	No	Yes
Jumbo Mark I Class			Edmonds	WSF	3	175	1 0	Yes	Yes	Yes
MV Spokane	2000	188	Eagle Harbor	WSF	NA	NA	2 4	NA	NA	NA
MV Walla Walla	2000	188	Fauntleroy	WSF	2	84	1 0	Yes	No	Yes
Super Class			Friday Harbor	WSF	1	255	1 1	Yes	No	No
MV Elwha	1221	144	Keystone	Other	2	100	1 0	Yes	No	Yes
MV Hyak	2000	144	Kingston	Other	3	290	2 1	Yes	Yes	Yes
MV Kaleetan	2000	144	Lopez	WSF	1	75	1 0	Yes	No	No
MV Yakima	2000	144	Mukilteo	Other	3	216	1 0	Yes	No	Yes
144-Car Class			Orcas	WSF	1	150	1 0	Yes	No	No
1st Vessel *	1200	144	Point Defiance	Other	1	50	1 0	Yes	No	Yes
2nd Vessel*	1200	144	Port Townsend	WSF	2	90	2 0	Yes	No	Yes
Issaquah Class			Seattle	WSF	4	585	3 0	Yes	Yes	Yes
MV Cathlamet	1200	124	Shaw	WSF	1	15	1 0	No	No	No
MV Chelan	1090	124	Sidney BC	Other	1	240	1 0	Yes	No	Yes
MV Issaquah	1200	124	Southworth	WSF	2	160	1 0	Yes	No	Yes
MV Kitsap	1200	124	Tahlequah	WSF	0	5	1 0	Yes	No	Yes
MV Kittitas	1200	124	Vashon	WSF	0	80	2 1	Yes	No	Yes
MV Sealth	1200	90								
Evergreen State										
MV Evergreen State	983	87								
MV Klahowya	800	87								
MV Tillikum	1200	87								
Kwa-di Tabil										
MV Chetzemoka	750	64								
MV Kennewick	750	64								
MV Salish	750	64								
Miscellaneous										
MV Hiyu	200	34								
MV Rhododendron **	546	48								

* Under construction

** Retired

Program: WSDOT makes capital investments in the Ferry System through the WSF Construction Program (W). Capital investments construct new infrastructure or make significant long-term renewal or improvements to existing infrastructure.

Sub-programs: The infrastructure of the Ferry System consists primarily of ferry terminals and vessels. This is reflected in the WSF Construction Program sub-program structure. There are sub-programs for terminal construction (W1), vessel construction (W2) and emergency repair of terminals and vessels (W3).

Program/Sub-program Budget Requests and Ten-Year Plans: The Ferries 2013-15 Biennium budget request seeks \$246 million. \$49 million or 20% is for terminal construction; \$188 million or 76% is for vessel construction; and \$9 million or 4% is for emergency repair of terminals and vessels. The 2013-23 ten-year plan proposes to spend \$1.079 billion on Ferry System infrastructure. \$499 million or 46% is for terminal construction; \$541 million or 50% is for vessel construction; and \$39 million or 4% is for emergency repairs.

**WSF Construction Sub-programs
Terminals, Vessels and Emergency Repairs
2013-2015 Biennium Budget Request and 2013-2023 Ten-Year Plan
In Millions of Dollars**

Sub-program	13-15	15-17	17-19	19-21	21-23	13-23	13-15 %	13-23 %
Terminal Construction	49	152	137	100	61	499	20%	46%
Vessel Construction	188	59	95	76	122	541	76%	50%
Emergency Repairs	9	7	8	8	7	39	4%	4%
WSF Construction	246	219	239	185	190	1,079	100%	100%

Ferry Preservation

WSF 2013-15 Capital Budget Request Ferries Life Cycle Cost Model (LCCM)

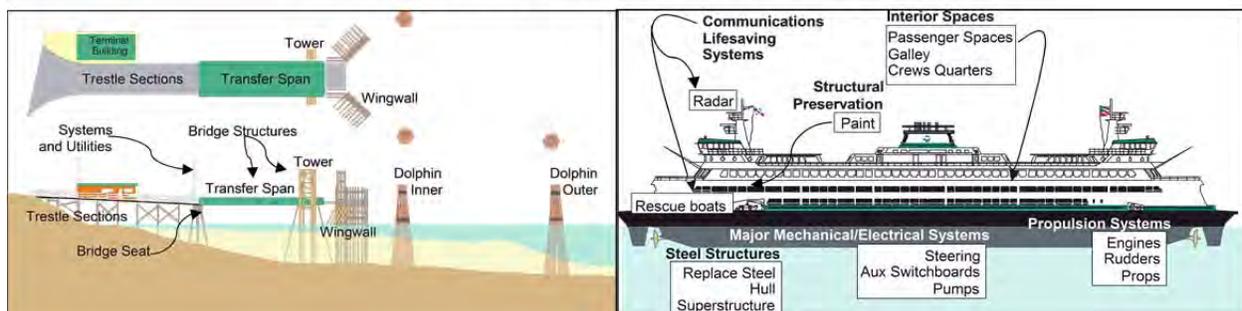
Overview of the Ferries Life Cycle Cost Model (LCCM): The LCCM provides an inventory of Ferry System infrastructure down to the level of the systems comprising vessels and terminals. It projects vessel and terminal preservation needs. It is used to bundle preservation of systems to create preservation projects. The costs of these projects are the basis of the preservation budget request. Finally, the LCCM projects how well the preservation budget request will meet preservation needs.

Ferries LCCM History: Washington State Ferries (WSF) manages the preservation of its fleet and terminals using the Ferries LCCM. In 1996 WSF began developing a life cycle cost approach to preserving its vessels and terminals. In 2001 the Legislature's Joint Task Force on Ferries endorsed WSF's life cycle cost model. In the same year, at the direction of the Legislature, the Office of Financial Management (OFM) conducted an audit of WSF's life cycle cost approach to preservation. The OFM Auditor concluded "...that the Washington State Ferries' current decision-making process/model for capital investment is effective and sound." In 2007, the Legislature conducted the Ferry Financing Study that culminated in ESHB 2358, Laws of 2007. Among other things, this law codified the role of the LCCM in managing the preservation of Ferries vessels and terminals. In 2008, OFM incorporated this statutory direction into its 2009-11 Transportation Budget Instructions.

The Role of the LCCM in Preserving Ferries Infrastructure: WSF uses the LCCM to (1) identify and assess vessel and terminal preservation needs; (2) develop preservation projects in which the scope, cost and schedule are specified in terms of vessel and terminal systems that will be preserved; (3) project how well these projects address preservation needs; (4) explain and justify the preservation budget request to OFM and the Legislature; and (5) report to OFM and the Legislature what was accomplished with funds appropriated for preservation.

How Does the LCCM Work? At the heart of WSF's life cycle cost approach to preservation is the vessel and terminal system. WSF's vessels and terminals consist of a number of systems, some of which are illustrated below.

Examples of Terminal and Vessel Systems

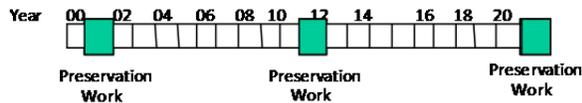


Each vessel or terminal system has an expected life. Starting with the date the system was acquired or last preserved, WSF can project when the system will next need to be replaced. Given the cost of preservation, WSF can project preservation needs over time. Illustrated below is the cost of preserving the systems of the MV Wenatchee over 60 years.

Life Cycle Preservation Analysis

Each system has characteristics, for example

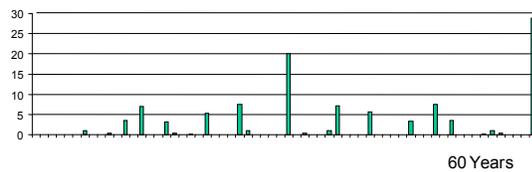
- Life cycle 10 years
- Date work was last done FY 2001
- Dates work is next due FY 2011, 2021
- Standard cost \$400,000



Preservation Needs

WSF uses this information to identify the cost and timing of investments to preserve terminal and vessel systems.

M.V. Wenatchee Life Cycle Preservation Costs
FYs 1999-2059, Millions of Dollars of 1997 Purchasing Power

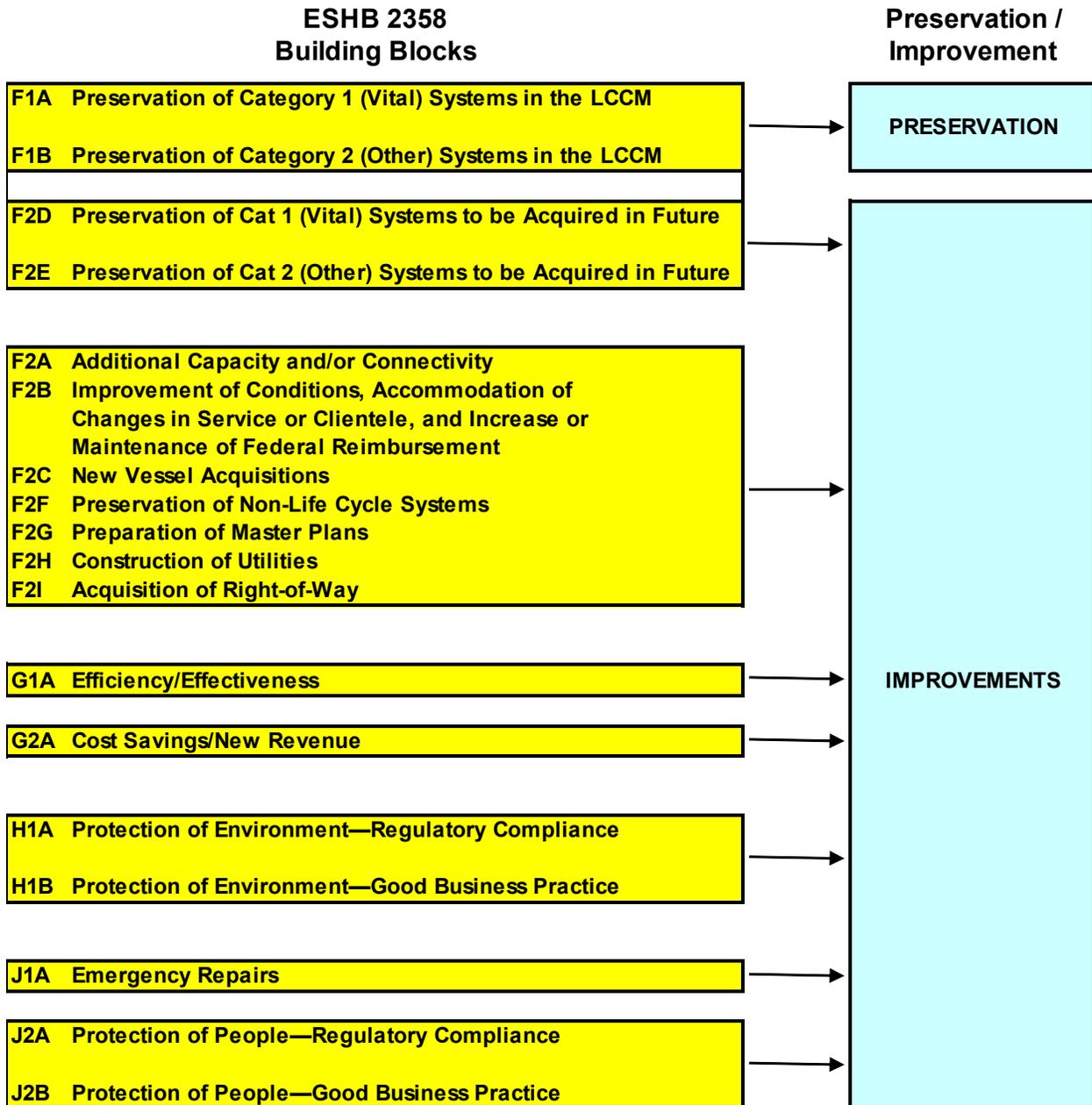


The chart below illustrates how the LCCM is used to develop a project list. The left side of the chart represents the LCCM inventory of data about a vessel's systems. WSF uses this information to project the cost and timing of preservation needs. In this illustration, the cost of each system is \$1. WSF prioritizes and selects which systems will be preserved subject to biennial funding constraints. This defines preservation projects. The costs of these projects per biennium are the basis for budget requests. Finally, the LCCM generates statistics that project how well the project list addresses preservation needs.

Vessel Life Cycle Cost Model Needs Assessment and Programming Worksheet																	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)
VESSEL NAME Roll-up System	Life Cycle In Years	Work Last Done Date	Remaining Life Cycle In Years	Next Work Due Date	Perform- ance Measures	Work Priority	Vessel Needs						Vessel Work Plan				
							Six-Year Period						Total	Six-Year Period			Total
							2000	2001	2002	2003	2004	2005	99-05	99-01	01-03	03-05	99-05
M.V. FERRY					7		0	1	0	4	0	2	7	0	4	1	5
Piping Replacement																	
Vital					3		0	1	0	2	0	0	3	0	3	0	3
Non-vital					4		0	0	0	2	0	2	4	0	1	1	2
Saltwater Piping	10	1993	3	2003	1	Non-vital-Continuity				1			1	-	-	1	1
Bilge Piping	15	1988	3	2003	1	Vital-Regulatory				1			1	-	1	-	1
Sprinkler System	15	1986	1	2001	1	Vital-Regulatory		1					1	-	1	-	1
Firemain Piping/Manifolds	15	1988	3	2003	1	Vital-Regulatory				1			1	-	1	-	1
Heating System Piping	12	1993	5	2005	1	Non-vital-Continuity						1	1	-	-	-	-
Sewage / Soil System Piping	10	1995	5	2005	1	Non-vital-Continuity						1	1	-	-	-	-
Potable Water Piping	12	1993	5	2005	1	Non-vital-Regulatory				1		0%	1	-	1	-	1
Preservation Needs Percents						Vital	0%	33%	67%	100%	100%	100%		33%	0%	0%	
						Non-vital	0%	0%	0%	50%	50%	100%		0%	25%	50%	

Legislative Direction Regarding the LCCM: The Legislature is interested in having a clear understanding of what investments are preservation and what are improvements of Ferry System infrastructure. ESHB 2358, Laws of 2007 and various legislative studies provide legislative direction. The table below graphically portrays this direction.

**Definitions of Capital
Preservation and Improvements
In Terms of ESHB 2358 Building Blocks**



WSF 2013-15 Capital Budget Request Preservation Condition Assessment

Summary of Terminal and Vessel Condition:

- 86% of terminal systems are in “good” or “fair” condition. 14% are in “poor” or “substandard” condition.
- 80% of vessel systems are within their life cycle. 20% are beyond their life cycle.

Condition and Life Cycle Assessment: WSDOT places high priority on maintaining the condition of its ferry terminals and vessels in order to provide safe, efficient, and reliable ferry service. It describes the condition of its ferry terminals and vessels through the use of condition ratings and life cycle assessments. At the time of the last assessment, WSDOT had 22 vessels, 20 ferry terminals and a maintenance facility.

Condition of Ferry Terminals: WSDOT’s Ferries Division is responsible for maintaining the condition of the 19 terminals and the maintenance facility located in Washington State. (The 20th terminal is in Sidney, British Columbia). Terminal assets currently consist of 756 separate components, called systems. These systems are grouped into the following types: landing aids (wingwalls and dolphins), vehicle transfer span systems, overhead loading systems, trestles and bulkheads, pavements, buildings and passenger-only ferry facilities.

WSDOT is required by law to inspect and evaluate terminal assets for condition at least once every three years. The table below shows the current condition ratings as of February 2012 which includes 2011 inspection results. Eighty-six percent of ferry terminal systems are currently rated in “good” or “fair” condition. Fourteen percent of ferry terminal systems are currently rated in “poor” or “substandard” condition. These four classifications do not indicate that systems are safe or unsafe, but rather how closely their condition should be monitored prior to preservation.

The majority of structures that are rated “poor” or “substandard” consist of:

- Vehicle transfer spans systems--Many transfer span electrical and mechanical systems have required frequent rehabilitation over the years and are functionally obsolete.
- Paved areas--Condition ratings for paved areas have been revised based on a change in condition rating methodology more appropriate for paved areas that don’t carry vehicular traffic moving at highway speeds. Nevertheless, although inspection criteria are less rigorous, a significant number of paved areas are rated in “poor” or “sub-standard” condition.
- Landing aids, such as, wingwalls and dolphins -- Many of the landing aids are creosote-soaked, wood pilings that are deteriorating due to rot from being immersed in salt water. WSF plans to replace timber bridge assets with concrete and steel

structures to increase their usable life-span and to reduce marine contamination caused by creosote.

**Washington State Ferries
Condition Assessment of Ferry Terminal Systems**

Terminal Systems	# of systems	Good	Fair	Poor	Substan- dard	Not-rated
Landing Aids*	179	46%	31%	13%	10%	0%
Vehicle Transfer Spans	210	29%	55%	15%	1%	0%
Overhead Loading Systems	66	64%	27%	9%	0%	0%
Trestle & Bulkheads	71	32%	59%	6%	3%	0%
Pavement	78	42%	44%	12%	1%	1%
Buildings	137	45%	53%	0%	0%	2%
Passenger-only Facilities	15	53%	40%	7%	0%	0%
Total Average	756	41%	45%	10%	3%	1%

*Landing Aids Includes Wingwalls and Dolphins

WSF ferry terminal condition definitions:

Good (90-100): The structure is performing as designed with all elements functioning as intended.

Fair (70-89): All primary elements making up the structure are sound but there are some deficiencies in various elements. Examples: areas of rot, crushing, or marine borer activity in timbers; areas of corrosion for steel elements; cracking and spalling in concrete; wearing in mechanical systems; cracking and raveling in pavement systems.

Poor (50-69): There is moderate deterioration of certain elements as defined under the "fair" condition. These deficiencies may affect the load carrying capacities or the use of the structure and require some element of repair or replacement.

Sub-standard (0-49): There is advanced deterioration throughout the structure that will require the use of the structure to be restricted. For landing aids, this means that the structure will not provide the protection to other structures. For trestles and transfer spans this means there will be load restrictions. For pavement this means that the sub-grade, as well as the pavement, will need to be rehabilitated.

Vessel Life Cycle Assessment Report: Vessel condition reporting is under development. In the interim, the status of the fleet is reported in terms of life cycle assessment.

WSDOT's Ferries Division was responsible for the preservation of 22 vessels at the time of the last condition report. The vessels consist of 1,659 systems. These systems are grouped into two categories and eight types of systems. Category 1 systems are those systems designated by a regulatory agency, such as the US Coast Guard, as "vital" to the protection of people, the environment and the asset. Category 2 systems are all other systems. Also, there are eight types of vessel systems: communication-navigation-life saving equipment, major mechanical and electrical equipment, passenger and crew spaces, piping systems, propulsion systems, security equipment, steel structures, and structural protection systems.

WSDOT tracks the life cycle status of vessel systems in terms of how close systems are to the end of their life cycle interval. The vessel life cycle assessment table shows the number of vessel systems by category and type of system that have more than 10% of their life cycle remaining or 10% or less of their life cycle remaining; and the number of systems that are 10% or less beyond their life cycle or more than 10% beyond their life

cycle. These classifications do not indicate that systems are safe or unsafe, but rather how closely their condition should be monitored prior to preservation.

The vessel system life cycle assessment table shows the status of systems by category and type of system. As of March 2012, 80% of all vessel systems are within their life cycle. Of the remaining systems, 11% of category 1 vessel systems and 35% of category 2 vessel systems are beyond their life cycle. All types of category 1 systems have a lower percentage of systems beyond their life cycle than any type of category 2 systems. This reflects WSDOT’s emphasis on preserving USCG-designated “vital” systems.

**Washington State Ferries
Life Cycle Assessment of Vessel Systems**

Vessel Systems	Total Number of Systems	More Than 10% Life Cycle Remaining	10% or Less Life Cycle Remaining	10% or Less Beyond Life Cycle	More Than 10% Beyond Life Cycle
<u>Category 1 Systems</u>					
Commo/Navig/Lifesaving Systems	484	65%	22%	3%	10%
Major Mech/Elec Systems	111	88%	1%	1%	10%
Piping Systems	66	79%	2%	1%	18%
Propulsion Systems	263	87%	5%	1%	7%
Security Systems	90	98%	1%	0%	1%
Steel Structural Systems	44	73%	14%	2%	11%
All Category 1 Systems	1,058	77%	12%	2%	9%
<u>Category 2 Systems</u>					
Major Mech/Elec Systems	151	50%	8%	6%	36%
Passenger and Crew Spaces	64	53%	8%	9%	30%
Piping Systems	76	62%	8%	1%	29%
Steel Structural Systems	123	64%	3%	6%	27%
Structural Protection Systems	187	61%	8%	1%	30%
All Category 2 Systems	601	58%	7%	4%	31%
All Vessel Systems	1,659	70%	10%	3%	17%

WSF 2013-15 Capital Budget Request Backlog Reduction Plan

The Backlog Reduction Plan displays the impact of proposed preservation spending on the accumulating preservation needs. This plan is produced by the Ferries Capital Planning System (CPS). The plan will be provided as soon as the CPS project list is updated to reflect the final TEIS project list.

WSF 2013-15 Capital Budget Request Preservation Needs Assessment

Overview of Ferry System Preservation Needs:

System-wide Needs:

- The Ferries Life Cycle Cost Model (LCCM) projects Ferry System preservation needs into the future in terms of constant dollars of 2012 purchasing power. These projections are pure needs that are not offset by preservation investments. The System's pre-2013-15 Biennium backlog of preservations needs plus needs coming due in the 2013-15 Biennium will be \$601 million. By the end of the 2021-23 Biennium, preservation needs will rise to \$1.282 billion.
- Preservation needs are also measured in terms of the percentage of the value of systems that will be past their life cycle in the absence of preservation investments. By the end of the 2013-15 Biennium, 22% of the value of combined terminal and vessel systems will be past their life cycle. By the end of the 2021-23 Biennium, the percent of the value of systems that will be past their life cycle rises to 46%.

Vessel and Terminal Needs:

- The Ferry system's preservation needs can be broken down into vessel and terminal preservation needs. Vessel preservation needs will be \$347 million or 58% of the total preservation needs accumulating through the 2013-15 Biennium. Terminal needs will be \$254 million or 42%. By the 2021-23 Biennium, vessel needs will be \$814 million or 64% of accumulating preservation needs. Terminal needs will be \$467 million or 36%.
- Vessel and terminal preservation needs are also measured in terms of the percentage of the value of vessel or terminal systems that will be past their life cycle in the absence of preservation investments. By the end of the 2013-15 Biennium, 25% of the value of vessel systems and 19% of the value of terminal systems will be past their life cycle. By the end of the 2021-23 Biennium, the percent of the value of systems that will be past their life cycle rises to 59% for vessels and 35% for terminals.

Terminal Corridor Needs:

- Terminal preservation needs are distributed among four marine transportation corridors. The Central Corridor will account for \$151 million or 59% of total terminal preservation needs accumulating by the end of the 2013-15 Biennium and \$269 million or 58% by the end of the 2021-23 Biennium. This is primarily due to needs at the Seattle Terminal. The South Sound Corridor will account for

\$40 million or 16% of terminal preservation needs by 2013-15 and \$79 million or 17% by 2021-23. This is primarily due to needs at the Vashon and Port Townsend terminals. The San Jan Island Corridor will account for \$34 million or 14% of terminal preservation needs by 2013-15 and \$71 million or 15% by 2021-23. This is primarily due to needs at the Anacortes Terminal. The North Central Corridor will account for \$29 million or 11% of terminal preservation needs by 2013-15 and \$48 million or 10% by 2021-23.

- Terminal corridor preservation needs are also measured in terms of the percentage of the value of systems that will be past their life cycle in the absence of preservation investments. By the end of the 2013-15 Biennium, both the Central Corridor and the South Sound Corridor will have 20% of the value of their systems past their life cycle. The San Juan Island Corridor will have 17% of the value of its systems past their life cycle. The North Central Corridor will have 14% of the value of its systems past their life cycle. By the end of the 2021-23 Biennium, the South Sound Corridor will have 39% of the value of its systems past their life cycle. The Central Corridor will have 37%. The San Juan Island Corridor will have 35%. The North Central Corridor will have 24%.

Vessel Class Needs:

- Vessel preservation needs are concentrated in several classes of vessels. Super, Issaquah and Evergreen State Class vessels will account for \$276 million or 79% of total vessel preservation needs accumulating by the end of the 2013-015 Biennium. By the end of the 2021-23 Biennium, Issaquah, Super and Jumbo Mark II Class vessels will account for \$565 million or 70% of vessel preservation needs.
- Vessel preservation needs by class of vessel are also measured in terms of the percentage of the value of systems that will be past their life cycle in the absence of preservation investments. By the end of the 2013-15 Biennium, Super Class vessels will have 47% of the value of their systems past their life cycle. Issaquah Class vessels will have 34%. Evergreen State Class vessels will have 28%. Other vessel classes will be under 25%. By the end of the 2021-23 Biennium, Issaquah Class vessels will have 73% of the value of their systems beyond their life cycle. Super Class vessels will have 72%. Jumbo Mark II Cass vessels will have 60%. Jumbo Mark I Class vessels will have 51%. Other vessel classes will be 50% or less. Note that two Evergreen State Class vessels will be retired during the 2013-23 ten-year period.

Statutory Requirement for the Ferries Preservation Needs Assessment: RCW 47.60.345(3) states “The life-cycle cost model shall be used when estimating future terminal and vessel preservation needs.” The department defines preservation needs in terms of the renovation or replacement of the systems that make up a terminal or

vessel. Each system has a date that it was acquired or last preserve, a life cycle interval and a cost factor expressed in constant dollars. These three pieces of information are used to project the cost and timing for the renovation or replacement of systems. This information is aggregated to produce the preservation needs assessment.

Format of the Preservation Needs Assessment: The description of Ferry System preservation needs is structured as follows:

Needs are expressed in two ways:

- The costs per biennium to preserve systems that have reached the end of their life cycle expressed in constant dollars of 2012 purchasing power and
- The preservation needs percent (PNP) which is the value of systems that are beyond their life cycle at the end of each biennium expressed as a percent of the value of all systems.

Preservation needs are reported at four levels of aggregation:

- All Ferry System infrastructure,
- All terminals and all vessels,
- Terminal corridors and vessel classes and
- Individual terminals and vessels.

The needs are shown for the following periods:

- Deferred preservation accumulating prior to the 2013-15 Biennium,
- Each biennium from the 2013-15 Biennium through the 2021-23 Biennium,
- Cumulative needs through the 2013-15 Biennium (i.e., by the end of the budget request biennium), and
- Cumulative needs through the 2021-23 Biennium (i.e., by the end of the ten-year planning period).

Ferry System, Vessel and Terminal Preservation Needs: Ferry System preservation needs assessment focuses on the accumulation of preservation needs over two time periods: one ending with the 2013-15 budget request biennium and one ending with the ten-year planning period (2021-23 Biennium). These two periods overlap because both of them contain the backlog of deferred preservation carried forward into the 2013-15 Biennium and the 2013-15 Biennium. The LCCM-estimated needs accumulating through the end of the 2013-15 Biennium are \$601 million in 2012 constant dollars. Vessels account for \$347 million or 58% of these needs and terminals account for \$254 million or 42%. The LCCM-estimated needs accumulating through the end of the 2021-23 Biennium are \$1.282 billion in 2012 constant dollars. Vessels account for \$814 million or 64% of these needs and terminals account for \$467 million or 36%.

WSF Construction Program W
Preservation Needs By Type of Asset
Based on the Ferries Life Cycle Cost Model, Sorted by Needs through 2013-2015
In 2012 Constant Millions of Dollars

	Backlog						Cum Thru	Cum Thru	% Thru	% Thru
	Pre-13-15	13-15	15-17	17-19	19-21	21-23	13-15	21-23	13-15	21-23
Vessels	287.4	59.4	65.3	140.0	94.8	167.3	346.9	814.2	58%	64%
Terminals	208.3	45.6	65.0	45.4	54.4	48.7	253.9	467.3	42%	36%
Terminals and Vessels	495.7	105.0	130.3	185.4	149.2	215.9	600.7	1281.6	100%	100%

Ferry Corridor Terminal Preservation Needs: Washington State Ferries (WSF) operates four marine transportation corridors. Terminal preservation needs are greatest in the Central Corridor which includes terminals at Bainbridge, Island, Bremerton, Edmonds, Kingston and Seattle. This corridor accounts for \$151 million or 59% of terminal preservation needs accumulating through the end of the 2013-15 Biennium and \$269 million or 58% accumulating through the end of the 2021-23 Biennium. The remainder of terminal preservation needs is dispersed throughout the other three corridors. The South Sound Corridor includes terminals at Fauntleroy, Point Defiance, Southworth, Tahlequah and Vashon. The North Central Corridor includes terminals at Clinton, Coupeville, Mukilteo and Port Townsend. The San Juan Island Corridor includes terminals at Anacortes, Friday Harbor, Lopez, Orcas, Shaw and Sidney, BC. The table below provides preservation needs information about these four corridors. Corridors are ranked in accordance with preservation needs through the 2013-15 Biennium.

WSF Construction Program W
Preservation Needs By Terminal Corridor
Based on the Ferries Life Cycle Cost Model, Sorted by Needs through 2013-2015
In 2012 Constant Millions of Dollars

Corridors	Backlog						Cum Thru	Cum Thru	% Thru	% Thru
	Pre-13-15	13-15	15-17	17-19	19-21	21-23	13-15	21-23	13-15	21-23
Central Corridor	120.7	29.9	38.4	19.6	34.0	26.8	150.7	269.5	59%	58%
South Sound Corridor	26.5	13.4	19.6	4.1	5.0	10.1	39.9	78.8	16%	17%
San Juan Island Corridor	32.3	2.2	2.1	11.7	14.1	8.6	34.5	71.0	14%	15%
North Central Corridor	28.8	0.1	5.0	9.9	1.2	3.0	28.9	48.0	11%	10%
All Terminal Corridors	208.3	45.6	65.0	45.4	54.4	48.7	253.9	467.3	100%	100%

Ferry Terminal Preservation Needs: WSF operates 20 ferry terminals and the Eagle Harbor Maintenance Facility. Terminal preservation needs are greatest at the Seattle Terminal which accounts for \$112 million or 44% of terminal preservation needs accumulating by the end of the 2013-15 Biennium and \$161 million or 34% accumulating by the end of the 2021-23 Biennium. The terminals at Anacortes, Vashon and Port Townsend account for another \$71 million or 28% of preservation needs accumulating by the end of the 2013-15 Biennium and \$109 million or 23% of terminal preservation needs accumulating by the end of the 2021-23 Biennium. The table below provides additional details about the preservation needs of individual terminals and the Eagle Harbor Maintenance Facility. Terminals are ranked in accordance with preservation needs through the 2013-15 Biennium.

WSF Construction Program W
Preservation Needs By Terminal
Based on the Ferries Life Cycle Cost Model, Sorted by Needs through 2013-2015
In 2012 Constant Millions of Dollars

Terminals	Backlog						Cum Thru	Cum Thru	% Thru	% Thru
	Pre-13-15	13-15	15-17	17-19	19-21	21-23	13-15	21-23	13-15	21-23
Seattle	91.9	19.9	30.8	3.0	9.1	6.2	111.8	160.9	44%	34%
Anacortes	25.6	1.9	0.0	3.1	9.8	5.0	27.5	45.4	11%	10%
Vashon	22.2	1.3	2.0	1.2	3.0	9.6	23.5	39.2	9%	8%
Port Townsend	20.3	0.0	3.0	0.3	0.0	0.3	20.4	24.1	8%	5%
Eagle Harbor	14.5	0.1	0.2	4.2	16.0	0.0	14.6	35.0	6%	7%
Fauntleroy	0.5	10.3	1.0	1.2	0.1	0.1	10.9	13.2	4%	3%
Bainbridge	8.2	1.2	0.0	6.8	2.7	8.6	9.5	27.5	4%	6%
Kingston	2.1	7.3	0.0	0.6	2.1	4.1	9.4	16.2	4%	3%
Keystone	5.5	0.0	0.0	7.2	0.0	0.3	5.5	13.1	2%	3%
Point Defiance	3.7	1.7	0.0	0.1	2.0	0.3	5.5	7.9	2%	2%
Bremerton	3.3	1.2	7.3	4.6	2.0	4.0	4.5	22.4	2%	5%
Lopez	3.0	0.0	1.2	0.5	4.4	0.0	3.0	9.0	1%	2%
Mukilteo	2.8	0.0	2.0	0.5	1.0	2.2	2.9	8.5	1%	2%
Friday Harbor	2.3	0.2	0.0	4.6	0.0	1.5	2.5	8.6	1%	2%
Orcas	1.3	0.0	0.8	3.6	0.0	0.0	1.3	5.7	1%	1%
Edmonds	0.8	0.1	0.0	0.5	2.3	3.9	0.9	7.5	0%	2%
Shaw	0.1	0.0	0.0	0.0	0.0	2.1	0.1	2.2	0%	0%
Clinton	0.1	0.1	0.0	1.8	0.2	0.2	0.1	2.3	0%	0%
Southworth	0.0	0.1	12.4	1.6	0.0	0.1	0.1	14.3	0%	3%
Tahlequah	0.0	0.0	4.2	0.0	0.0	0.0	0.0	4.2	0%	1%
All Terminals	208.3	45.6	65.0	45.4	54.4	48.7	253.9	467.3	100%	100%

Vessel Class Preservation Needs: WSF has eight classes of vessels. Vessel preservation needs are greatest in the Super, Issaquah and Evergreen State classes of vessels. Super Class vessels account for \$122 million or 35% of vessel preservation needs accumulating by the end of the 2013-15 Biennium. Issaquah Class vessels account for \$94 million or 27%. Evergreen State Class vessels account \$59 million or 17%. By the end of the 2021-23 Biennium Issaquah Class vessels account for \$219 million or 27%. Super Class vessels account for \$202 million or 25%. Jumbo Mark II Class vessels account for \$144 million or 18%. The table below shows preservation needs for all vessel classes. Vessel classes are ranked in accordance with preservation needs through the 2013-15 Biennium.

WSF Construction Program W
Preservation Needs By Vessel Class
Based on the Ferries Life Cycle Cost Model, Sorted by Needs through 2013-2015
In 2012 Constant Millions of Dollars

Vessel Classes	Backlog						Cum Thru	Cum Thru	% Thru	% Thru
	Pre-13-15	13-15	15-17	17-19	19-21	21-23	13-15	21-23	13-15	21-23
Super Class	117.1	5.1	19.4	13.0	40.2	6.7	122.2	201.6	35%	25%
Issaquah Class	74.4	20.1	20.3	29.2	23.0	52.1	94.5	219.2	27%	27%
Evergreen State Class	41.3	18.2	1.9	5.8	8.6	16.5	59.5	92.2	17%	11%
Jumbo Mark I Class	28.4	2.6	16.2	10.8	2.4	12.2	31.0	72.7	9%	9%
Jumbo Mark II Class	11.2	13.1	4.6	66.0	1.0	48.1	24.3	144.0	7%	18%
Hiyu	15.0	0.0	0.0	0.0	0.0	0.0	15.0	15.0	4%	2%
Kwa-di Tabil Class	0.0	0.3	2.9	9.3	15.6	26.4	0.3	54.5	0%	7%
144-Car Class	0.0	0.0	0.0	5.9	4.0	5.3	0.0	15.1	0%	2%
All Vessel Classes	287.4	59.4	65.3	140.0	94.8	167.3	346.9	814.2	100%	100%

Vessel Preservation Needs: WSF has 22 active vessels, two vessels under construction and one vessel in retirement. Super Class vessels lead the way in preservation needs. Needs accumulating by the end of the 2013-15 Biennium include \$39 million or 11% of fleet preservation needs for the Elwha, \$31 million or 9% for the Hyak, \$27 million or 8% for the Kaleetan and \$26 million or 7% for the Yakima. Preservation needs accumulating by the end of the 2021-23 Biennium exceed \$40 million for seven vessels. Preservation needs for the Elwha are \$62 million or 8%. Preservation needs for the Hyak are \$55 million or 7%. Preservation needs for both the Puyallup and Wenatchee are \$49 million or 6%. Preservation needs for the Tacoma are \$46 million or 6%. Preservation needs for the Kaleetan are \$43 million or 5%. Preservation needs for the Yakima are \$41 million or 5%. The table below provides preservation needs information for all vessels of the fleet. Vessels are ranked in accordance with preservation needs through the 2013-15 Biennium.

**WSF Construction Program W
Preservation Needs By Vessel
Based on the Ferries Life Cycle Cost Model, Sorted by Needs through 2013-2015
In 2012 Constant Millions of Dollars**

Vessels	Backlog						Cum Thru	Cum Thru	% Thru	% Thru
	Pre-13-15	13-15	15-17	17-19	19-21	21-23	13-15	21-23	13-15	21-23
Elwha	38.2	0.9	0.8	1.1	20.1	0.8	39.1	61.8	11%	8%
Hyak	29.7	0.9	15.0	0.4	4.4	4.9	30.6	55.2	9%	7%
Kaleetan	25.4	1.3	2.0	8.4	5.5	0.8	26.7	43.3	8%	5%
Yakima	23.7	2.0	1.7	3.2	10.3	0.3	25.8	41.3	7%	5%
Evergreen State	24.6	0.0	0.0	0.0	0.0	0.0	24.6	24.6	7%	3%
Kitsap	22.3	2.0	1.3	1.0	5.6	6.9	24.3	39.2	7%	5%
Cathlamet	11.3	8.1	1.4	2.3	3.8	11.6	19.4	38.5	6%	5%
Spokane	17.1	2.2	4.6	4.5	1.6	9.1	19.3	39.2	6%	5%
Klahowya	8.3	10.8	1.7	2.3	3.0	7.7	19.2	33.9	6%	4%
Tillikum	8.3	7.4	0.3	3.5	5.5	8.7	15.7	33.7	5%	4%
Issaquah	11.1	4.1	1.5	1.6	1.4	17.3	15.2	37.0	4%	5%
Hiyu	15.0	0.0	0.0	0.0	0.0	0.0	15.0	15.0	4%	2%
Chelan	11.1	2.2	4.1	10.6	4.9	2.2	13.3	35.1	4%	4%
Sealth	9.6	3.0	2.0	10.7	3.5	7.4	12.6	36.3	4%	4%
Walla Walla	11.3	0.4	11.6	6.3	0.8	3.1	11.7	33.5	3%	4%
Wenatchee	3.8	6.0	0.2	14.5	0.0	24.2	9.8	48.7	3%	6%
Kittitas	9.0	0.7	9.9	2.9	3.8	6.7	9.7	33.1	3%	4%
Tacoma	5.9	3.6	0.6	16.5	0.7	19.0	9.5	46.3	3%	6%
Puyallup	1.6	3.5	3.8	34.9	0.2	4.9	5.1	48.9	1%	6%
Chetzemoka	0.0	0.3	2.3	1.6	6.3	10.1	0.3	20.6	0%	3%
144-Car Ferry 1	0.0	0.0	0.0	2.9	2.0	2.6	0.0	7.6	0%	1%
144-Car Ferry 2	0.0	0.0	0.0	2.9	2.0	2.6	0.0	7.6	0%	1%
Kennewick	0.0	0.0	0.3	2.3	3.1	6.1	0.0	11.8	0%	1%
Salish	0.0	0.0	0.3	5.4	6.3	10.1	0.0	22.1	0%	3%
All Vessels	287.4	59.4	65.3	140.0	94.8	167.3	346.9	814.2	100%	100%

Ferry System, Terminal and Vessel Preservation Needs Percents: The discussion above presents preservation needs in terms of dollars of 2012 purchasing power. However, it is useful to relate these dollar needs to the Ferry System's inventory of infrastructure. The preservation needs percent (PNP) does this. The PNP is the value of systems that, in the absence of preservation investments, will exceed their life cycles expressed as a percent of the value of the systems in the inventory of infrastructure. The following tables provide PNP scores at the end of each biennium from the 2011-13

Biennium through the 2021-23 Biennium. However, most of the discussion will focus on the 2013-15 Biennium which is most relevant to the 2013-15 Biennium budget request.

At the end of the 2013-15 Biennium, the LCCM projects that, in the absence of preservation investments, 22% of the value of Ferry System infrastructure will be beyond its life cycle. This need worsens as additional systems reach the end of their life cycle in each succeeding biennia. By the end of the 2021-23 Biennium, 46% of the value of infrastructure will be beyond its life cycle. The deterioration in vessel infrastructure is more severe than for terminal infrastructure. The projected PNP score for vessel systems is 25% at the end of the 2013-15 Biennium and 59% at the end of the 2021-23 Biennium. The projected PNP score for terminal systems is 19% at the end of the 2013-15 Biennium and 35% at the end of the 2021-23 Biennium. More detailed information about vessel and terminal PNP scores is provided in the table below.

WSF Construction Program W
Percent of the Value of Ferry Systems Beyond Their Life Cycle
By Type of Asset
Based on the Ferries Life Cycle Cost Model, Sorted by PNP at the End of the 2013-2015 Biennium
In Preservation Needs Percentages (PNPs)

	11-13 PNP	13-15 PNP	15-17 PNP	17-19 PNP	19-21 PNP	21-23 PNP
Vessels	23%	25%	31%	41%	47%	59%
Terminals	16%	19%	24%	27%	31%	35%
Ferry System	19%	22%	27%	34%	39%	46%

Terminal Corridor Preservation Needs Percents: The projected PNP scores, in the absence of preservation investments, for the two southern marine transportation corridors are less favorable than the two northern corridors. The projected 2013-15 PNP scores for both the Central and South Sound Corridors are 20%. The South Sound Corridor has a projected 2021-23 PNP score of 39% and the Central Corridor PNP score is 37%. In contrast, the San Juan Island Corridor has a projected 2013-15 PNP score of 17% and a 2021-2023 PNP score of 35%. The North Central Corridor has a projected 2013-15 PNP score of 14% and a 2021-23 PNP score of 24%. The table below provides detailed PNP score information. Corridors are ranked in accordance with PNP scores at the end of the 2013-15 Biennium.

WSF Construction Program W
Percent of the Value of Terminal Systems Beyond Their Life Cycle
By Marine Transportation Corridor
Based on the Ferries Life Cycle Cost Model, Sorted by PNP at the End of the 2013-2015 Biennium
In Preservation Needs Percentages (PNPs)

Corridors	11-13 PNP	13-15 PNP	15-17 PNP	17-19 PNP	19-21 PNP	21-23 PNP
Central Corridor	17%	20%	26%	28%	33%	37%
South Sound Corridor	13%	20%	29%	31%	34%	39%
San Juan Island Corridor	16%	17%	18%	24%	31%	35%
North Central Corridor	14%	14%	17%	22%	22%	24%
Terminals	16%	19%	24%	27%	31%	35%

Terminal Preservation Needs Percents: The projected PNP scores for individual terminals range from 37% to 0% at the end of the 2013-15 Biennium and from 54% to 2% at the end of the 2021-23 Biennium. With respect to the 2013-15 Biennium, seven terminals have projected 2013-15 PNP scores equal to or less than 40% but greater than 20%. Three terminals have projected 2013-15 PNP scores equal to or less than 20% but greater than 10%. Ten terminals have projected 2013-15 PNP scores equal to or less than 10%. The table below provides detailed PNP score information. Terminals are ranked in accordance with PNP scores at the end of the 2013-15 Biennium.

WSF Construction Program W
Percent of the Value of Vessel Systems Beyond Their Life Cycle
By Terminal
Based on the Ferries Life Cycle Cost Model, Sorted by PNP at the End of the 2013-2015 Biennium
In Preservation Needs Percentages (PNPs)

Terminals	11-13 PNP	13-15 PNP	15-17 PNP	17-19 PNP	19-21 PNP	21-23 PNP
Seattle	32%	37%	48%	49%	52%	54%
Port Townsend	36%	36%	41%	42%	42%	42%
Vashon	30%	31%	34%	36%	39%	52%
Coupeville	29%	29%	29%	66%	66%	68%
Anacortes	25%	27%	27%	31%	40%	45%
Point Defiance	17%	25%	25%	25%	34%	35%
Fauntleroy	1%	24%	26%	29%	29%	29%
Lopez	15%	15%	21%	23%	45%	45%
Eagle Harbor	13%	13%	13%	17%	32%	32%
Mukilteo	11%	11%	19%	21%	24%	33%
Kingston	2%	10%	10%	11%	13%	17%
Bainbridge	8%	10%	10%	17%	19%	27%
Bremerton	5%	7%	17%	24%	27%	33%
Friday Harbor	6%	7%	7%	19%	19%	23%
Orcas	6%	6%	10%	26%	26%	26%
Edmonds	1%	2%	2%	2%	6%	13%
Shaw	1%	1%	1%	1%	1%	10%
Southworth	0%	0%	34%	38%	38%	38%
Clinton	0%	0%	0%	2%	2%	2%
Tahlequah	0%	0%	18%	18%	18%	18%
Terminals	16%	19%	24%	27%	31%	35%

Vessel Class Preservation Needs Percents: The projected PNP scores for vessel classes range from 47% to 0% at the end of the 2013-15 Biennium and from 73% to 13% at the end of the 2021-23 Biennium. With respect to the 2013-15 Biennium, one vessel class has a projected 2013-15 PNP score greater than 40%. Four vessel classes have projected 2013-15 PNP scores equal to or less than 40% but greater than 20%. One vessel class is in the 20% to greater than 10% PNP range. Three vessel classes have projected 2013-15 PNP scores or 10% or less. The table below provides detailed PNP score information. Vessel classes are ranked in accordance with PNP scores at the end of the 2013-15 Biennium.

**WSF Construction Program W
Percent of the Value of Vessel Systems Beyond Their Life Cycle
By Vessel Class**

**Based on the Ferries Life Cycle Cost Model, Sorted by PNP at the End of the 2013-2015 Biennium
In Preservation Needs Percentages (PNPs)**

Vessel Classes	11-13 PNP	13-15 PNP	15-17 PNP	17-19 PNP	19-21 PNP	21-23 PNP
Super Class	45%	47%	54%	59%	71%	72%
Issaquah Class	27%	34%	41%	52%	57%	73%
Evergreen State Class	22%	28%	30%	35%	38%	50%
Jumbo Mark I Class	22%	24%	36%	44%	46%	51%
Jumbo Mark II Class	5%	11%	13%	43%	43%	60%
Kwa-di Tabil Class	0%	0%	2%	10%	21%	42%
Hiyu	82%	0%	0%	0%	0%	0%
144-Car Class	0%	0%	0%	1%	6%	13%
Vessels	23%	25%	31%	41%	47%	59%

Vessel Preservation Needs Percents: The projected PNP scores for individual vessels range from 59% to 0% at the end of the 2013-15 Biennium and from 88% to 13% at the end of the 2021-23 Biennium. With respect to the 2013-15 Biennium, five vessels have projected 2013-15 PNP scores greater than 40%; seven vessels have projected 2013-15 PNP scores equal to or less than 40% but greater than 20%; four vessels have projected 2013-15 PNP scores equal to or less than 20% but greater than 10%; and eight vessels have projected PNP scores of 10% or less. The table below provides detailed PNP score information. Vessels are ranked in accordance with PNP scores at the end of the 2013-15 Biennium.

WSF Construction Program W
Percent of the Value of Vessel Systems Beyond Their Life Cycle
By Vessel

Based on the Ferries Life Cycle Cost Model, Sorted by PNP at the End of the 2013-2015 Biennium
In Preservation Needs Percentages (PNPs)

Vessels	11-13 PNP	13-15 PNP	15-17 PNP	17-19 PNP	19-21 PNP	21-23 PNP
Elwha	58%	59%	60%	62%	87%	88%
Kitsap	48%	53%	56%	57%	62%	76%
Hyak	45%	46%	69%	69%	71%	78%
Cathlamet	24%	42%	45%	50%	53%	75%
Kaleetan	39%	41%	44%	57%	61%	62%
Yakima	36%	39%	42%	47%	62%	63%
Issaquah	23%	33%	36%	39%	40%	71%
Klahowya	13%	31%	34%	37%	39%	52%
Spokane	26%	30%	37%	44%	46%	55%
Chelan	24%	28%	37%	61%	71%	75%
Sealth	20%	27%	32%	55%	58%	71%
Tillikum	13%	25%	26%	32%	37%	49%
Kittitas	19%	20%	42%	48%	56%	70%
Walla Walla	17%	18%	36%	45%	46%	47%
Wenatchee	5%	13%	14%	33%	33%	60%
Tacoma	8%	13%	14%	36%	36%	57%
Puyallup	2%	7%	12%	59%	59%	61%
Chetzemoka	0%	1%	6%	10%	24%	48%
Salish	0%	0%	1%	13%	27%	50%
Kennewick	0%	0%	1%	6%	13%	27%
New 144-Car Ferry 1	0%	0%	0%	1%	6%	13%
New 144-Car Ferry 2	0%	0%	0%	1%	6%	13%
Evergreen State	41%	0%	0%	0%	0%	0%
Hiyu	82%	0%	0%	0%	0%	0%
Vessels	23%	25%	31%	41%	47%	59%

Conclusion: The Department is required by law to estimate future terminal and vessel preservation needs using the Life Cycle Cost Model. The LCCM is used to project preservation needs by biennium and to relate these dollar needs to the total infrastructure through the use of the preservation needs percent statistic. This needs assessment provides critical information used to select preservation work that will be bundled into preservation projects. The needs assessment and the preservation project list provide the means of meeting the statutory requirement for reducing the backlog of deferred preservation.

WSF 2013-15 Capital Budget Request Major Vessel Preservation-“Rebuilding the Boat” Vessel Deployment Plan

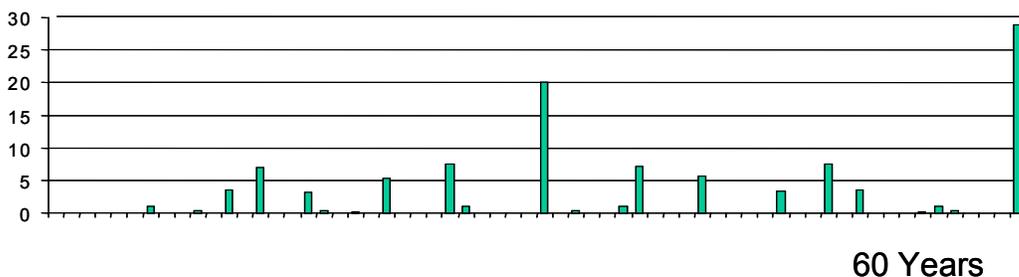
Vessel Rebuild and Retirement/Replacement Planning: For planning purposes, Washington State Ferries (WSF) auto-passenger ferries are assumed to be ready for

- A major rebuild 30 years after construction
- Retirement and replacement 60 years after construction

The actual decision to rebuild or retire/replace a ferry is based on economic analysis using life cycle cost methodology, availability of funding, and other factors such as the service plan.

Rebuild and Retirement/Replacement Planning Assumptions: The rebuild or retirement/replacement dates of a WSF auto-passenger ferry are based on 30 year increments. Vessel preservation expenditures are highest at the 30 and 60-year points in the vessel’s life. Replacement of a large number of systems is required due to the convergence of preservation needs of systems with 5, 10, 12, 15, 20, and 30-year life cycles. The figure below illustrates life cycle preservation costs in constant dollars projected for the MV Wenatchee over a 60-year period. The highest preservation costs will occur 30 and 60 years after construction.

M.V. Wenatchee Life Cycle Preservation Costs
FYs 1999-2059, Millions of Dollars of 1997 Purchasing Power



Historical Rebuild Practice: WSF’s historical practice has been to rebuild a vessel after 30 years subject to availability of funding. However, in recent years, this practice has been less evident, especially with respect to the Issaquah Class vessels. Due to funding constraints, mid-life preservation of these vessels has been addressed by spreading preservation expenditures over several biennia before and after the 30-year point.

Retirement/Replacement Assumption: The Federal Transit Administration has adopted an “expected life” for ferries of 60 years. WSF and Alaska’s ferry system, the Alaskan Marine Highways (AMH), believe that a vessel should be retired and replaced around 60 years after construction because renovation is likely to be economically impractical and the investment is likely to be made in a vessel whose characteristics are no longer suited for service delivery demands.

Factors that favor retirement and replacement of a vessel rather than a second rebuild include:

- *Systems Needing Replacement:* As the chart on the preceding page illustrates, the value of systems needing renovation or replacement is greatest at the 60-year point in a vessel's life. These costs are a dominant consideration in determining whether to do a second rebuild or to retire and replace the vessel.
- *The Economic Impact of Technological Change:* Technological change makes extension of a vessel's life beyond 60 years very expensive. At the 60-year mark, earlier technology may no longer be available or supported by the manufacturer. Replacement of worn out systems requires installation of new types of systems. The new systems may require early replacement of other systems that must be compatible with the new technology. The result is rapid escalation of the costs to keep the vessel in sound operating condition.
- *The Economic Impact of Regulatory Requirements:* Over time, the basic characteristics of a vessel may not meet emerging regulatory standards. Examples: The vessel may not meet a U.S. Coast Guard requirement for two-compartment subdivision. The vessel may have a 1950's design auto deck with car lanes too narrow for disabled persons to exit their vehicles. The vessel may be close to its stability limits and cannot accommodate regulatory improvements that add additional weight.

A major impediment to investments in older vessels is the "grandfather clause." The US Coast Guard (USCG) typically requires owners to meet the regulations in existence when the vessel was built, with some exceptions for critical systems; i.e., lifesaving or structural fire protection. If the (USCG) determines that a vessel is undergoing a "major conversion," such as an increase in capacity or significant life extension, the vessel will have to meet the regulations in effect at the time of conversion. As a result, investments to extend the life of a vessel or improve its service capabilities often become even more expensive because "grandfathered" requirements must also be addressed.

- *Hull Integrity:* The hull is an important limiting factor for a vessel's life expectancy because it provides the platform for all other systems and structures. It is more vulnerable to salt-water corrosion than any other part of the vessel. At some point, the cost of maintaining the sea worthiness of the hull becomes economically impractical.
- *Lack of Resale Value:* Resale value does not significantly impact the economic calculus for determining when to retire/replace a WSF ferry. WSF ferries are not suitable for use on most other international or U.S. ferry routes. As a result, their resale value is minimal regardless of when they are sold during their expected life span.

- *Vessel Characteristics vs. Service Delivery Requirements*: The basic characteristics of a vessel may not be adequate to deal with service delivery requirements emerging in the future. Operation characteristics of a vessel that should be considered in evaluating its ability to provide service include:
 - Vehicle capacity
 - Passenger capacity
 - Speed
 - Loading/unloading time
 - Draft
 - Traffic characteristics

Vessel Retirement/Replacement Plan: The following table provides WSF's current plan for rebuilding or retiring, and replacing vessels.

Determining When to Actually Rebuild or Retire/Replace a Vessel: The approach discussed above is used when developing the fleet management scheme far into the future. However, the actual decision about rebuilding or retiring/replacing a vessel is made much closer to the time the action is required based on economic analysis, availability of funding, and other considerations.

Vessel Rebuild and Retirement/Replacement Plan

Vessel Class	Vessel	Capacity		Year Built	Year Rebuilt	Estimated Mid-life Renovation Range	Estimated Retirement- Replacement Range	Comments
		Passengers	Vehicle Spaces					
Jumbo Mark II	Puyallup	2,500	202	1999		2026 - 2032	2056 - 2062	Estimated rebuild costs are shown in the 2013 CIPP.
	Wenatchee	2,500	202	1998		2025 - 2031	2055 - 2061	Estimated rebuild costs are shown in the 2013 CIPP.
	Tacoma	2,500	202	1997		2024 - 2030	2054 - 2060	Estimated rebuild costs are shown in the 2013 CIPP.
Jumbo Mark I	Spokane	2,000	188	1972	2004		2029 - 2035	
	Walla Walla	2,000	188	1973	2003		2030 - 2036	
Super	Elwha	1221 (SOLAS)	144	1967	1991		2021 - 2027	Estimated replacement costs are shown in the 2013 CIPP.
	Hyak	2,000	144	1967		2012 - 2018	2024 - 2030	Estimated rebuild and replacement costs are shown in the 2013 CIPP.
	Kaleetan	2,000	144	1967	1999		2022 - 2028	Estimated replacement costs are shown in the 2013 CIPP.
	Yakima	2,000	144	1967	2000		2023 - 2029	Estimated replacement costs are shown in the 2013 CIPP.
Issaquah 130	Cathlamet	1,200	124 NOTE: added upper car deck in 1993	1981			2038 - 2044	Rebuild of this vessel is incremental. Estimated costs are shown in the 2013 CIPP.
	Chelan	1090 (SOLAS)	124 NOTE: added upper car deck in 1999	1981			2038 - 2044	Rebuild of this vessel is incremental. Estimated costs are shown in the 2013 CIPP.
	Issaquah	1,200	124 NOTE: added upper car deck in 1989	1979			2036 - 2042	Rebuild of this vessel is incremental. Estimated costs are shown in the 2013 CIPP.
	Kitsap	1,200	124 NOTE: added upper car deck in 1990	1980			2037 - 2043	Rebuild of this vessel is incremental. Estimated costs are shown in the 2013 CIPP.
	Kittitas	1,200	124 NOTE: added upper car deck in 1991	1980			2037 - 2043	Rebuild of this vessel is incremental. Estimated costs are shown in the 2013 CIPP.
Issaquah 100	Sealth	1,200	90	1982			2039 - 2045	Rebuild of this vessel is incremental. Estimated costs are shown in the 2013 CIPP.
Evergreen State	Evergreen State	983	87	1954	1988		2011 - 2017	Construction of the 1st 144-car vessel is occurring during the 2011-2015 biennial period that may allow retirement of this vessel. Estimated costs are shown in the 2013 CIPP.
	Klahowya	800	87	1958	1995		2012 - 2018	Construction of the 2nd 144-car vessel is occurring during the 2011-2015 biennial period that may allow retirement of this vessel or the Tillikum. The estimated cost of the new vessel is shown in the 2013 CIPP.
	Tillikum	1,200	87	1959	1994		2014 - 2020	Construction of the 2nd 144-car vessel is occurring during the 2011-2015 biennial period that may allow retirement of this vessel or the Klahowya. The estimated cost of the new vessel is shown in the 2013 CIPP.
Kwa-di Tabil	Chetzemoka	750	64	2010		2037 - 2043	2067 - 2073	
	Salish	750	64	2011		2038 - 2044	2068 - 2074	
	Kennewick	750	64	2012		2039 - 2045	2069 - 2075	
Misc.	Rhododendron	546	48	1947	1991		2012	This vessel has been retired.
	Hiyu	200	34	1967			2009 - 2015	This vessel will not be replaced.
New Construction In-progress	New 144 - Auto #1	1,200	144	2014		2041 - 2047	2071 - 2077	Cost of constructing this vessel are shown in the 2013 CIPP.
	New 144 - Auto #2	1,200	144	2015		2042 - 2048	2072 - 2078	Cost of constructing this vessel are shown in the 2013 CIPP.

WSF 2013-15 Capital Budget Request Preservation Budget Overview

Overview of the 2013-15 Preservation Budget Request and Ten-Year Plan:

- Proposed preservation spending amounts to \$83 million or 34% of the total 2013-15 biennium budget request and \$722 million or 67% of the total 2013-23 ten-year plan.
- \$63 million or 76% of proposed preservation spending is for vessels and \$20 million or 24% is for terminals in the 2013-15 biennium preservation budget request. This difference between vessels and terminals disappears over the full ten-year planning period. Proposed vessel preservation amounts to \$363 million or 50% and terminal preservation amounts to \$359 million or 50%.
- The Central Corridor of terminals receives \$12 million or 59% of proposed funding in the 2013-15 terminal preservation budget request and \$222 million or 62% of proposed terminal preservation funding over the 2013-23 ten-year period.
- Super and Issaquah Class vessels receive \$45 million or 72% of proposed funding in the 2013-15 vessel preservation budget request and these two classes and the Jumbo Mark II Class account for \$276 million or 73% of proposed vessel preservation funding over the 2013-23 ten-year period.
- The Hyak, Seattle, the Cathlamet, the Kitsap, the Tacoma and the Chelan are each budgeted for more than \$5 million in the 2013-15 Biennium preservation budget request.
- Seattle dominates preservation spending over the 2013-23 ten-year period with a spending plan of \$206 million. Over the ten-year year period, there are preservation spending plans ranging from \$20 to \$35 million for two other terminals (Vashon and Fauntleroy) and for six vessels (Hyak, Tacoma, Elwha, Puyallup, Wenatchee, and Kitsap).

Preservation Investment as a Part of the Overall Capital Program: The Legislature requires the department to categorize the Washington State Ferries (WSF) biennial capital budget request and multi-biennial capital plan in terms of three types of expenditures. They are preservation, improvements and system-wide/administrative activities. To be classified as preservation, an expenditure must meet requirements contained in RCW 47.60 and fall within the definition of a preservation project provided by the Office of Financial Management (OFM). Statutory requirements are discussed in an earlier section that describes the Ferries Life Cycle Cost Model.

OFM has defined a preservation project as a capital project that:

- “Extends the life of existing assets (terminals and vessels) by replacing systems of the asset that are determined to be at the end of their structural, mechanical or

electrical lives. Vessel engines, for example, are replaced when they are worn out to keep the vessel operational.

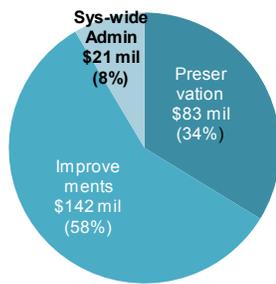
- May upgrade the systems needing to be replaced for structural, mechanical or electrical reasons so long as the replacements for existing systems do not significantly change the program use of an asset (i.e., replacing two worn-out wooden dolphins of a vessel slip at a terminal with two steel dolphins so long as the upgraded steel dolphins do not significantly change the throughput capacity of the terminal).
- Generally has little effect on future operating programs and budgets, except for reductions in maintenance costs and the deferred preservation backlog.”

OFM defines improvement projects and system-wide/administrative activities as follows:

- “Improvement projects primarily achieve a program goal, such as changing or improving the characteristics of an existing asset to meet new program requirements, or creating a new asset through construction, lease and/or purchase. This category is less concerned with life extension of an asset, and includes projects ranging from building new assets to significant renovation of existing assets. Improvement projects may also improve conditions, accommodate changes in service or clientele, or increase or maintain federal reimbursement.”
- System-wide activities are those conducted by engineering management, technical and office staff needed to ensure effective and efficient development and delivery of capital projects. Administrative activities are those performed by management, planning, budgeting, contracting, personnel, accounting, audit, purchasing, administrative and community outreach staff needed to ensure effective and efficient operation of the capital program.

Improvements dominate the 2013-15 Biennium budget request. However, preservation dominates the 2013-23 ten-year plan. The 2013-15 preservation budget request is \$83 million or 34% of the total budget request. Improvements amount to \$142 million or 58% and system-wide and administrative activities amount to \$21 million or 8%. The dominance of improvements in the 2013-15 Biennium is due to new vessel construction. In contrast, the 2013-23 ten-year plan (including the 2013-15 Biennium) for preservation amounts to \$722 million or 67% of the total plan. Improvements amount to \$256 million or 24% and system-wide and administrative activities amount to \$101 million or 9%.

**WSF Construction Program
2013-2015 Biennium Budget Request
Preservation, Improvements, System-wide/Administration
(\$ in Mil, % Distribution)**

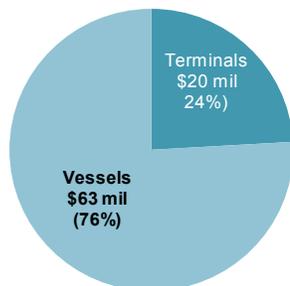


**WSF Construction Program W
2013-2015 Budget Request and 2013-2023 Ten-Year Plan
Preservation, Improvement and System-wide/Administration
(In Millions of Dollars and Percent Distribution)**

	13-15	15-17	17-19	19-21	21-23	13-23	13-15 %	13-23 %
Preservation	83	142	188	151	158	722	34%	67%
Improvement	142	56	33	14	11	256	58%	24%
System-wide & Admin	21	21	18	20	21	101	8%	9%
Total Program W	246	219	239	185	190	1,079	100%	100%

Distribution of Preservation Funding Between Terminals and Vessels: The 2013-2015 vessel preservation budget request is three times the size of the terminal preservation budget request. The vessel request amounts to \$63 million or 76%. The terminal request amounts to \$20 million or 24%. However, over the ten-year planning period, (including the 2013-2015 Biennium), proposed vessel and terminal preservation spending is nearly the same. Proposed vessel preservation spending amounts to \$363 million or 50% of total preservation spending. Proposed terminal preservation spending amounts to \$359 million or 50%.

**WSF Construction Program
2013-2015 Biennium Budget Request
Terminal and Vessel Preservation
(\$ in Mil, % Distribution)**

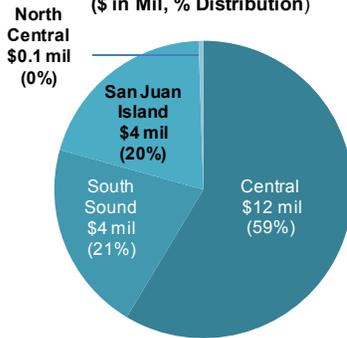


**WSF Construction Program W
2013-2015 Budget Request and 2013-2023 Ten-Year Plan
Terminal and Vessel Preservation
(In Millions of Dollars and Percent Distribution)**

	13-15	15-17	17-19	19-21	21-23	13-23	13-15 %	13-23 %
Terminal Preservation	20	93	103	91	52	359	24%	50%
Vessel Preservation	63	48	84	60	106	363	76%	50%
Total Preservation	83	142	188	151	158	722	100%	100%

Preservation by Terminal Corridor: The Central Corridor receives \$12 million or 59% of the proposed 2013-2015 Biennium terminal preservation budget. The South Sound Corridor receives \$4 million or 21%. The San Juan Island Corridor receives \$4 million or 20%. The North Central Corridor receives \$0.1 million or nearly 0%. Over the 2013-2023 ten-year period (including the 2013-2015 Biennium), the Central Corridor receives \$222 million or 62%. The South Sound Corridor receives \$86 million or 24%. The San Juan Island Corridor receives \$32 million or 9%. The North Central Corridor receives \$19 million or 5%. The table below shows the details of proposed terminal corridor preservation spending. Corridors are ranked according to proposed spending in the 2013-2015 budget request biennium.

**WSF Construction Program
2013-2015 Biennium Budget Request
Preservation by Terminal Corridor
(\$ in Mil, % Distribution)**

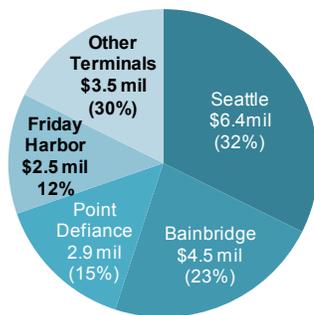


**WSF Construction Program W
2013-2015 Budget Request and 2013-2023 Ten-Year Plan
Preservation by Terminal Corridor
(In Millions of Dollars and Percent Distribution)**

Corridors	13-15	15-17	17-19	19-21	21-23	13-23	13-15 %	13-23 %
Central Corridor	11.6	66.2	67.6	69.2	7.9	222.5	59%	62%
South Sound Corridor	4.1	16.4	18.9	17.1	29.3	85.9	21%	24%
San Juan Island Corridor	4.0	8.9	14.4	2.0	2.7	32.0	20%	9%
North Central Corridor	0.1	2.0	2.5	2.3	11.7	18.6	0%	5%
All Terminal Corridors	19.8	93.4	103.4	90.7	51.6	359.0	100%	100%

Preservation by Terminal: Seattle receives \$6.4 million or 32% of the proposed 2013-15 Biennium terminal preservation budget. Bainbridge Island receives \$4.5 million or 23%. Point Defiance receives \$2.9 million or 15%. Friday Harbor receives \$2.5 million or 12%. The remaining terminals receive \$3.5 million or 18%. Over the ten-year planning period (including the 2013-15 Biennium), Seattle receives \$206.4 million or 57% of proposed terminal preservation funding. Vashon and Fauntleroy each receive \$30 million or more for a combined total of \$63.6 million or 17%. Other terminals and Eagle Harbor receive \$89 million or 26%. The table below shows the details of proposed terminal preservation spending. Terminals are ranked according to proposed spending in the 2013-15 budget request biennium.

**WSF Construction Program
2013-2015 Biennium Budget Request
Preservation by Terminal
(\$ in Mil, % Distribution)**



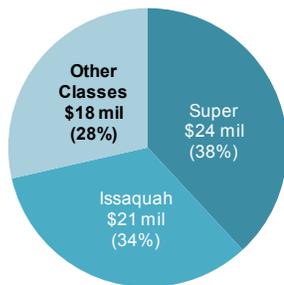
**WSF Construction Program W
2013-2015 Budget Request and 2013-2023 Ten-Year Plan
Preservation by Terminal
(In Millions of Dollars and Percent Distribution)**

Terminals	13-15	15-17	17-19	19-21	21-23	13-23	13-15 %	13-23 %
Seattle	6.4	64.8	67.6	67.7	0.0	206.4	32%	57%
Bainbridge Island	4.5	0.0	0.0	1.2	0.8	6.6	23%	2%
Point Defiance	2.9	0.0	0.0	0.0	0.4	3.3	15%	1%
Friday Harbor	2.5	3.7	8.0	0.9	0.0	15.1	12%	4%
Orcas	1.1	0.0	0.1	0.4	0.3	1.9	6%	1%
Southworth	0.9	14.0	3.0	0.0	0.0	18.0	5%	5%
Kingston	0.8	1.4	0.0	0.2	1.4	3.7	4%	1%
Anacortes	0.4	5.2	6.3	0.8	2.4	15.1	2%	4%
Vashon	0.3	2.4	14.4	14.6	2.0	33.7	1%	9%
Coupeville	0.1	1.9	2.5	0.0	0.0	4.6	0%	1%
Bremerton	0.0	0.0	0.0	0.1	4.6	4.7	0%	1%
Clinton	0.0	0.0	0.0	0.0	0.1	0.1	0%	0%
Eagle Harbor Maint	0.0	0.0	0.0	0.0	0.9	0.9	0%	0%
Edmonds	0.0	0.0	0.0	0.0	0.2	0.2	0%	0%
Fauntleroy	0.0	0.0	1.5	2.1	26.3	30.0	0%	8%
Lopez	0.0	0.0	0.0	0.0	0.0	0.0	0%	0%
Mukilteo	0.0	0.0	0.0	0.0	0.1	0.2	0%	0%
Port Townsend	0.0	0.0	0.0	2.3	11.5	13.8	0%	4%
Shaw	0.0	0.0	0.0	0.0	0.0	0.0	0%	0%
Tahlequah	0.0	0.0	0.0	0.3	0.5	0.9	0%	0%
Total Terminals	19.8	93.4	103.4	90.7	51.6	359.0	100%	100%

Preservation by Vessel Class: Super Class vessels receive \$24 million or 38% of the proposed 2013-15 Biennium vessel preservation budget. Issaquah Class vessels receive a total of 21 million or 34%. All other vessel classes receive \$18 million or 28%.

Over the 2013-23 ten-year period, (including the 2013-15 Biennium), Issaquah Class vessels receive \$109 million or 29% of proposed vessel preservation spending. Super Class vessels receive \$87 million or 23%. Jumbo Mark II Class vessels receive \$80 million or 21%. All other vessel classes receive \$97 million or 27%. The table below shows the details of proposed preservation spending by vessel class. Vessel classes are ranked according to proposed spending in the 2013-15 budget request biennium.

WSF Construction Program
2013-2015 Biennium Budget Request
Preservation by Vessel Class
(\$ in Mil, % Distribution)

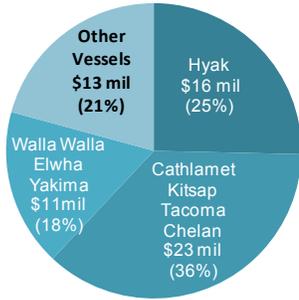


WSF Construction Program W
2013-2015 Budget Request and 2013-2023 Ten-Year Plan
Preservation by Vessel Class
(In Millions of Dollars and Percent Distribution)

Vessel Class	13-15	15-17	17-19	19-21	21-23	13-23	13-15 %	13-23 %
Super Class	24.2	17.9	10.1	25.2	9.2	86.6	38%	23%
Issaquah Class	21.2	11.4	16.3	15.5	44.7	109.1	34%	29%
Jumbo Mark II Class	8.8	6.1	40.7	3.0	21.4	79.9	14%	21%
Jumbo Mark I Class	6.2	7.4	3.8	1.7	10.2	29.4	10%	8%
Evergreen State Class	2.4	4.5	5.4	0.9	3.4	16.6	4%	4%
Kwa-di Tabil Class	0.2	3.3	8.9	13.0	5.2	30.8	0%	8%
Hiyu	0.0	0.0	0.0	0.0	0.0	0.0	0%	0%
144-Car Class	0.0	0.0	0.5	5.9	14.3	20.7	0%	6%
All Vessel Classes	63.1	50.6	85.7	65.3	108.3	373.0	100%	100%

Preservation by Vessel: The Hyak receives \$16.0 million or 25% of the proposed 2013-15 Biennium vessel preservation budget. The Cathlamet, Kitsap, Tacoma and Chelan receive \$5-\$6 million per vessel for a total of \$23.1 million or 36%. The Walla Walla, Elwha and Yakima receive \$2-\$5 million per vessel for a total of \$10.9 million or 18%. The remainder of the fleet receives a total of \$13.1 million or 21%. Over the 2013-23 ten-year period (including the 2013-15 Biennium), the Hyak, Tacoma, Elwha, Puyallup, Wenatchee, and Kitsap each receive between \$22 and \$32 million. Combined, they account for \$160.3 million or 43% of proposed vessel preservation spending. Proposed vessel preservation funding for the remainder of the fleet amounts to \$212.7 million or 57%. The table below shows the details of proposed vessel preservation spending. Vessels are ranked according to proposed spending in the 2013-2015 budget request biennium.

**WSF Construction Program
2013-2015 Biennium Budget Request
Preservation by Vessel
(\$ in Mil, % Distribution)**



**WSF Construction Program W
2013-2015 Budget Request and 2013-2023 Ten-Year Plan
Preservation by Vessel
(In Millions of Dollars and Percent Distribution)**

Vessel	13-15	15-17	17-19	19-21	21-23	13-23	13-15 %	13-23 %
MV Hyak	16.0	8.8	1.2	0.2	5.7	31.8	25%	9%
MV Cathlamet	6.3	1.4	0.5	2.3	8.4	18.9	10%	5%
MV Kitsap	6.0	0.8	1.3	2.1	12.4	22.6	9%	6%
MV Tacoma	5.6	0.6	11.8	1.2	9.7	28.9	9%	8%
MV Chelan	5.3	2.1	1.3	4.9	2.4	16.0	8%	4%
MV Walla Walla	4.5	0.4	2.3	0.5	7.3	15.1	7%	4%
MV Elwha	3.6	3.2	4.4	14.6	0.3	26.1	6%	7%
MV Yakima	2.9	0.7	1.6	8.5	1.0	14.7	5%	4%
MV Puyallup	1.9	0.5	16.5	0.9	5.7	25.6	3%	7%
MV Kaleetan	1.8	5.2	2.9	1.9	2.2	14.1	3%	4%
MV Spokane	1.8	7.0	1.5	1.2	2.9	14.3	3%	4%
MV Issaquah	1.6	2.8	4.5	0.2	10.2	19.3	3%	5%
MV Tillikum	1.3	1.0	4.3	0.6	0.1	7.4	2%	2%
MV Wenatchee	1.3	4.9	12.4	0.8	6.0	25.4	2%	7%
MV Kittitas	1.1	1.8	3.3	3.7	7.2	17.2	2%	5%
MV Klahowya	1.1	3.4	1.1	0.3	3.3	9.2	2%	2%
MV Sealth	0.9	2.5	5.4	2.4	4.1	15.2	1%	4%
MV Chetzemoka	0.2	2.5	1.6	6.4	0.5	11.2	0%	3%
MV Hiyu	0.0	0.0	0.0	0.0	0.0	0.0	0%	0%
MV Evergreen State	0.0	0.0	0.0	0.0	0.0	0.0	0%	0%
MV Kennewick	0.0	0.6	3.0	2.3	2.5	8.5	0%	2%
MV Salish	0.0	0.2	4.3	4.3	2.2	11.1	0%	3%
144-Car Vessel #2	0.0	0.0	0.2	3.0	7.1	10.4	0%	3%
144-Car Vessel #1	0.0	0.0	0.2	3.0	7.1	10.4	0%	3%
Total Vessels	63.1	50.6	85.7	65.3	108.3	373.0	100%	100%

Ferry Improvements

WSF 2013-15 Capital Budget Request Improvement Needs Assessment

Legislative Direction to Washington State Ferries (WSF) to Pursue “Adaptive Management” Practices: The Legislature has expressed its interest in finding alternative approaches to expensive capital investment in infrastructure for meeting current and future demand for ferry service. RCW 47.60 requires WSF to pursue “adaptive management” practices in its operating and capital programs in order to keep the costs of the Ferry System as low as possible while continuously improving the quality and timeliness of service.

There are two desired outcomes of “adaptive management.” The first desired outcome is more efficient and effective demand management. This involves maximizing the use of existing assets through pricing and operational strategies that encourage customers to shift travel times and modes. This spreads existing demand to times and modes that have excess capacity. The second desired outcome is greater operational efficiency. This involves employing operational strategies that reduce operating costs, queue length, and time spent in terminals to make more efficient use of existing resources.

The law specifically directs WSF to develop, and the Washington State Transportation Commission (WSTC) to review, operational strategies to ensure that existing assets are fully utilized and to guide future investment decisions. WSF and the WSTC have responded to this legislation with a jointly developed evaluation and prioritization of operational strategies included in a report entitled, “Joint Recommendations on Adaptive Management Strategies,” published in 2009. This report is incorporated into the WSF long range plan in Appendix I.

WSF and the WSTC have considered and in many cases acted on a number of operational and pricing strategies. Below is a summary of what has been accomplished.

Reservation System: The vehicle reservation system is the keystone of WSF’s operational strategies to manage the demand for ferry services and make operations more efficient and effective. WSF is implementing Phase 1 of this new system. Phase 1 involves consolidating WSF’s existing rudimentary and inflexible reservation systems (for Port Townsend/Coupeville, Anacortes/Sidney, B.C., and commercial carriers in the San Juan Islands) into a single flexible state of the art system. This system will be the base for expansion to other routes in the system. Phase 2 will expand the system to all vehicles in the San Juan Islands, plus commercial carriers on all other routes. Phase 3 will expand the system to all vehicles on most of the other remaining routes in the system.

Transit Enhancements: Several transit initiatives are underway. WSF has modified its sailing schedule on the Edmonds/Kingston route to meet a series of objectives. One is to improve connections with the Sounder commuter rail in Edmonds. Also, WSF is

engaged in discussions with regional transit partners about improvements that will enhance ferry/bus connections at Colman Dock in downtown Seattle.

Fuel Conservation: WSF has instituted vessel slowdowns on selected off-peak sailings with success in reducing fuel consumption. Capital improvements are being explored that will allow vessels to reduce fuel consumption at the dock while loading and offloading.

Small Car Discounts: WSF proposed, and the WSTC adopted, a fare schedule which gives vehicles under 14 feet in length a favorable price compared to standard length vehicles. This fare policy encourages travelers to use smaller cars and free up vehicle deck space on the ferries during peak periods.

Fuel Surcharge: The Legislature has enacted provisions for a fuel surcharge that may be triggered by certain conditions. The WSTC implemented this provision for the fall 2011 tariff cycle.

Enhanced User Information: WSF has added “best times to travel” information to each sailing schedule for each of the four seasons. It graphically depicts what the lighter and heavier traveled sailings are so that riders can adjust their travel plans accordingly.

Differential Vehicle and Passenger Pricing: WSF is exploring the concept of increasing the spread between vehicle and passenger fares. This would make it relatively more attractive financially for riders to travel as a passenger than as a vehicle driver. This initiative has been discussed and evaluated with the Ferry Advisory Committee on Tariff (FAC-T).

Reservation System Pricing: WSF evaluated the concept of charging extra for vehicles with reservations during the reservation system pre-design phase. This initiative was also discussed with a community partnership group created to help WSF define the system. The conclusion was that, in order to achieve maximum efficiency in implementing the reservations system, reservations should be available at no additional cost above what a rider would pay for the fare without reservations.

Seasonal Surcharge: The WSTC proposed a “peak of the peak” summer surcharge during the 2009 tariff outreach. The proposal was not well received by the public and was withdrawn at the final hearing.

Capital Impacts on Operating Budget

WSF - Capital Impacts on Operating Budget

OFM Instruction: Will the project cause changes in maintenance and operating requirements? If so, list estimated costs and FTEs and the biennium in which they will impact the operating budget. Reference any operating decision packages to which the project is tied.

New Ferry Vessels: Two new Olympic class ferries (144-car capacity) will be built in the 2013-15 biennium. Decision Package PL-XB-New Vessels Operation Costs identifies an additional \$5.1 million in costs and an additional 12.3 FTEs to operate these vessels. The increased costs are due to the larger vessels which have larger deck crews and higher fuel consumption than the vessels they are replacing. The introduction of these new vessels result in additional service capacity in the ferry system as two Evergreen State class vessels with less capacity are retired from the ferry system.

Minimal Vessel and Terminal Capital Preservation: Due to financial constraints, the 2013-15 biennium capital preservation program has been reduced to a minimum. As a result, there are additional pressures on the operating maintenance program for vessels and terminals. Decision Package ML-XD-Vessel and Terminal Maintenance requests \$2.5 million and 0.8 FTEs for vessels, terminal structures, and related systems.

Ferry Reservations System: A new reservation system for the Port Townsend – Coupeville and San Juan Island ferry routes requires additional staffing at terminals and additional customer information support. Decision Package PL-XC-Reservation, Dispatch and Fire Gear requests \$346,000 and 2.6 FTEs related to the reservations project. [Note: the reservations system project is an ongoing project in the 2013-15 biennium and there may be additional impacts to the operating program.]

Visual Paging: A project that provides visual information for the hearing-impaired will result in visual displays at ferry terminals and on ferry vessels. Decision Package PL-XE-Terminal Agent and Other Adjustments requests \$150,000 for the maintenance of the visual paging system which is operating at two terminals and on several ferry vessels. [Note: the visual system project is an ongoing project in the 2013-15 biennium and there may be additional impacts to the operating program.]

Administration and Overhead Ferries Division – Capital

WSF 2013-15 Capital Budget Request System-Wide and Administrative Capital Program Costs

Zero-based budget packages (see below) for system-wide and administrative activities include:

- Terminal Project Support
- Vessel Project Support
- Administrative Support

2013-15 Transportation Budget Decision Package

Agency:	405 Department of Transportation
Decision Package Code/Title:	T – Terminal Project Support Package
Budget Period:	2013-15
Budget Level:	Zero-based

Program:	W – WSF Construction
Sub-Program:	W1 Terminal Construction

Recommendation Summary Text:

This is the zero-based budget request for decision package T – Terminal Project Support for WSF Construction Program to support the WSDOT Ferries Division (WSF) Terminals Construction Sub-Program (W1). It funds the following activities in the 2013-15 biennium:

- T-1 – Terminal Engineering Project Controls: project controls and reporting, program management & planning, scoping and biennial book-building, and implementation of asset management system.
- T-2 – Terminal Engineering Technical Support: steel pile inventory, imaging support, data collection and terminal base-map updates.
- T-3 – Terminal Program Planning and Design Standards: terminal design standards revisions.
- T-4 – Terminal Engineering Studies: terminal structures seismic evaluations for 2013-15 biennium.
- T-5 – Regulatory Compliance and Inspections: Bridge load ratings, bridge and underwater inspections, scour monitoring and landing aid inspections, mechanical and electrical inspections, paving and building inspection, terminal maritime security inspections, environmental support, and overweight vehicle evaluation program development.
- T-6 – Terminal Engineering Supervision, Office Support and Supplies.
- T-7 – Terminal Engineering PMRS/Primavera Implementation.

Consolidated Fiscal Detail: Below is the consolidated fiscal detail and FTE detail for the budget activity packages included in T – Terminal Project Support for WSF Construction Program. WSF will prepare a new zero-based budget request in each succeeding budget development cycle that will replace the out-biennium placeholders established by the 13LEGFIN budget. Details of individual budget activity packages follow.

T - Terminal Project Support for the WSF Construction Program

Fiscal Detail			
Detail by Fund	FY 2014	FY 2015	Total
A90-Puget Sound Capital Construction – State	2,768,607	2,823,851	5,592,458
Total by Fund	2,768,607	2,823,851	5,592,458

Objects of Expenditure:

T - Terminal Project Support for the WSF Construction Program

Object of Expenditure Detail			
Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	1,746,180	1,746,180	3,492,360
B - Benefits	552,096	552,096	1,104,191
C - Personal Service Contracts	70,000	170,000	240,000
E - Goods and Services	171,500	137,744	309,244
G - Travel	5,080	5,080	10,160
J - Capital Outlay	198,752	198,752	397,503
T - Intraagency Reimbursements	25,000	14,000	39,000
Total by Object	2,768,607	2,823,851	5,592,458

Salary and FTE Details:

T - Terminal Project Support for the WSF Construction Program

Salary and FTE Detail						
Budget Activity Packages	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
T-1 - Terminal Engr Project Controls	5.40	5.40	5.40	368,951	368,951	737,902
T-2 - Terminal Engr Technical Support	0.50	0.50	0.50	30,917	30,917	61,834
T-3 - Terminal Planning & Design Standards	0.60	0.60	0.60	52,050	52,050	104,100
T-4 - Terminal Engineering Studies	1.12	1.12	1.12	97,407	97,407	194,814
T-5 - Regulatory Compliance & Inspections	6.02	6.02	6.02	461,974	461,974	923,948
T-6 - TE Supervision, Office Support & Supplies	7.25	7.25	7.25	609,004	609,004	1,218,008
T-7 - PMRS/ Primavera Implementation	1.00	1.00	1.00	84,984	84,984	169,968
Total Staff Dollars and FTEs	21.89	21.89	21.89	1,705,287	1,705,287	3,410,574

Budget Activity Package: T-1 – Terminal Engineering Project Controls
PIN: 998901A
WIN: M05482D and M05483C

Recommendation Summary Text:

This budget activity package funds asset management (M05482D); project controls and reporting, scoping and program planning (M05483C). Project controls tasks include: asset management plan implementation, scoping, cost estimating, Capital Book building, life-cycle analysis and life-cycle cost model management, legislative and executive reporting and response, and monitoring and control of funding and expenditures through administration of work order/task processes and change requests.

Asset management, project controls and reporting, scoping and program planning will be distributed to all preservation and improvement projects.

Fiscal Detail:

T-1 - Terminal Engineering Project Controls

Fiscal Detail			
Detail by Fund	FY 2014	FY 2015	Total
A90-Puget Sound Capital Construction - State	514,031	514,031	1,028,062
Total by Fund	514,031	514,031	1,028,062

Objects of Expenditure:

T-1 - Terminal Engineering Project Controls

Object of Expenditure Detail			
Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	384,349	384,349	768,698
B - Benefits	129,682	129,682	259,364
Total by Object	514,031	514,031	1,028,062

Salary and FTE Details:

T-1 - Terminal Engineering Project Controls

Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
BRIDGE ENGINEER 7	0.20	0.20	0.20	20,705	20,705	41,410
BRIDGE ENGINEER 7	0.10	0.10	0.10	10,352	10,352	20,704
MARINE MECHANICAL ENGINEER	0.10	0.10	0.10	9,382	9,382	18,764
MARINE PROJECT ENGINEER	0.20	0.20	0.20	18,763	18,763	37,526
TRANSPORTATION ENGINEER 2	1.00	1.00	1.00	63,192	63,192	126,384
TRANSPORTATION ENGINEER 2	1.00	1.00	1.00	63,192	63,192	126,384
TRANSPORTATION ENGINEER 3	0.80	0.80	0.80	55,805	55,805	111,610
TRANSPORTATION ENGINEER 4	1.00	1.00	1.00	76,992	76,992	153,984
TRANSPORTATION PLANNING TECHNICIAN 2	1.00	1.00	1.00	50,568	50,568	101,136
Total Staff Dollars and FTEs	5.40	5.40	5.40	368,951	368,951	737,902

Package Description:

Terminal Asset Management (M05482D)

Objects of Expenditure:

**T-1 - Terminal Engineering Project Controls
Terminal Asset Management (M05482D)**

Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	74,600	74,600	149,200
B - Benefits	21,690	21,690	43,379
Total by Object	96,290	96,290	192,579

Salary and FTE Details:

**T-1 - Terminal Engineering Project Controls
Terminal Asset Management (M05482D)**

Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
BRIDGE ENGINEER 7	0.20	0.20	0.20	20,705	20,705	41,410
BRIDGE ENGINEER 7	0.10	0.10	0.10	10,352	10,352	20,704
MARINE MECHANICAL ENGINEER	0.10	0.10	0.10	9,382	9,382	18,764
MARINE PROJECT ENGINEER	0.20	0.20	0.20	18,763	18,763	37,526
TRANSPORTATION ENGINEER 4	0.20	0.20	0.20	15,398	15,398	30,796
Total Staff Dollars and FTEs	0.80	0.80	0.80	74,600	74,600	149,200

The Terminal Engineering asset management plan was developed in the 2009-11 biennium in accordance with ESHB 1094 and included the development of asset plans for the major asset groups in the Life Cycle Cost Model (LCCM) to identify the least life-cycle cost optimization for capital spending needs within the organization. This was the result of recommendations from the Terminal Engineering Asset Management Study. The asset management plan development project has resulted in a standardized business case process for evaluation of spending needs within Terminal Engineering and includes the modified LCCM which incorporates ridership impacts into the risk-based economic analysis of assets. This analysis includes evaluation of the age and condition of assets to calculate failure probability, and also considers the costs associated with the failure of an asset, including emergency repairs and ridership delays, to calculate the consequences of failure. The result is a prioritized spending program for capital budgeting.

The following asset management elements will be performed in 2013-15:

The asset management plan effort for 2013-15 will involve implementation of the continuous improvement recommendations resulting from the 2009-11 development effort. Efforts will include updating of life cycle information such as age, condition, ridership, and asset improvements. Changes in failure scenarios will be evaluated.

Project Controls and Reporting & Scoping and Program Planning (M05483C)

Objects of Expenditure:

**T-1 - Terminal Engineering Project Controls
Scoping & Planning / Project Controls (M05483C)**

Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	309,749	309,749	619,498
B - Benefits	107,992	107,992	215,985
Total by Object	417,741	417,741	835,483

Salary and FTE Details:

**T-1 - Terminal Engineering Project Controls
Scoping & Planning / Project Controls (M05483C)**

Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
TRANSPORTATION ENGINEER 2	1.00	1.00	1.00	63,192	63,192	126,384
TRANSPORTATION ENGINEER 2	1.00	1.00	1.00	63,192	63,192	126,384
TRANSPORTATION ENGINEER 3	0.80	0.80	0.80	55,805	55,805	111,610
TRANSPORTATION ENGINEER 4	1.00	1.00	1.00	76,992	76,992	153,984
TRANSPORTATION PLANNING TECHNICIAN 2	1.00	1.00	1.00	50,568	50,568	101,136
Total Staff Dollars and FTEs	4.80	4.80	4.80	309,749	309,749	619,498

Project controls and reporting, and scoping and program planning includes the following efforts:

- Manage and control the biennial scoping and cost estimating process for Terminal Engineering.
- For activities not directly attributable to specific projects, estimate construction project costs and analyze unit bid prices specific to terminals.
- Organize and conduct biennial budget development and book building for subprogram W1. Prepare related documentation (white papers, decision packages, etc.).
- Identify current and future preservation projects using the Life Cycle Cost Model (LCCM), TEIS project list, and CPMS.
- Use life-cycle analyses to evaluate the economic efficiency between competing alternative improvement options.
- Maintain and utilize LCCM tools to answer legislative queries on biennial preservation and maintenance needs.
- Report Terminal Engineering’s budget and performance execution, through the development of Quarterly Project Reviews, Confidence Reports, schedule quality measures, earned value and other such tools.
- Respond to legislative and executive queries on Terminal Engineering project delivery and program planning.
- Control funding and expenditures through the work order and task management processes.
- Administer change management processes, such as journal vouchers and project change request forms (PCRF).

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

WSDOT has refined its project management process for delivering its Capital Projects. This process includes “best practices”, tools, templates and examples that will enhance the communication process for both design and construction project management. Having the forecasting, consistent and accurate reporting will reduce last minute and undesirable surprises that would impact project budget and timelines, which translate to credibility of our agency. Implementation of the continuous improvement recommendations will ensure the ongoing success of the asset management program within Terminal Engineering in order to determine the optimized spending programs for capital assets.

Consistent and accurate reporting and measurement of our projects will improve agency credibility and will assist with making effective and efficient business decisions based on improved management of project scope, schedule and cost.

Asset management implementation of the continuous improvement recommendations resulting from the 2009-20011 development effort will ensure the ongoing success of the asset management program within Terminal Engineering in order to determine the optimized spending programs for capital assets.

Performance measure detail:

Performance Measures for T-1 – Terminal Engineering Project Controls:	FY 2014	FY 2015
<p>Outcome Measures:</p> <ul style="list-style-type: none"> • POG Result Area – Improve state, regional and local transportation systems. <ul style="list-style-type: none"> • Maintain tools that monitor the age and condition of terminal facilities. • Estimate future Terminal preservation needs using the life-cycle cost model, per RCW 47.60.345. • POG Result Area – Strengthen government's ability to achieve results efficiently and effectively. <ul style="list-style-type: none"> • Develop and manage budgeting, accounting and reporting of capital subprogram W1, per RCW 43.88. • Assist executives and project managers in accessing accurate, real-time information about PINs, WINs and work orders. 	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>
<p>Output Measures:</p> <ul style="list-style-type: none"> • Updated asset plan for each of the asset class in the LCCM • Review Terminal Engineering’s construction specifications for conformance with maritime industry best practices. • Ensure utilization of industry standards to estimate asset life, per RCW 47.60.345. • Develop cost accounting tools that address gaps between existing statewide tools. • Develop biennial scoping documents for preservation and improvement projects. • Administer change management processes, such as journal vouchers and project control forms. • Control funding and expenditures through the work order and task 	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>

Performance Measures for T-1 – Terminal Engineering Project Controls:	FY 2014	FY 2015
management processes.	Yes	Yes
<ul style="list-style-type: none"> • For activities not directly attributable to specific projects, estimate construction project costs and analyze unit bid prices specific to Terminals. • Report Terminal Engineering’s budget and performance execution, through the development of Quarterly Project Reviews, Confidence Reports and other such tools. • Respond to legislative and executive queries on Terminal Engineering project delivery and program planning. 	Yes	Yes
Efficiency/Effectiveness Measures:		
<ul style="list-style-type: none"> • Meet deadlines for submittal of requirements to policy makers. 	Yes	Yes

Is this decision package essential to implement a strategy identified in the agency’s strategic plan? If so, please describe.

Goal: Preservation

This activity package is necessary to support all preservation and improvement projects in WSF capital program, allowing WSF to meet the goals of safety, preservation, mobility, environment and stewardship.

Goal: Stewardship

The project controls group and the associated efforts supports WSF’s strategy to employ state-of-the-art project management, by assisting in scope, schedule and budget development and management.

Does this decision package provide essential support to one of the Governor’s priorities? If so, please describe.

The activities funded by this decision package supports WSF’s Terminal Engineering Department in the implementation of improvement and preservation projects that improve and maintain the State’s marine transportation systems by maintaining the tools that monitor the age and condition of terminal facilities using the Life-Cycle Cost Model (LCCM). The LCCM also allows WSF to estimate the future Terminal preservation needs per RCW 47.60.345.

The activities funded by this decision package also strengthen government's ability to achieve results efficiently and effectively by developing and managing budgeting, accounting and reporting of capital subprogram W1, per RCW 43.88. In addition, it funds the staff necessary to assist executives and project managers in accessing accurate, real-time information about PINs, WINs and work orders.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process? If so, please describe.

This activity package improves statewide mobility of people, goods and services by supporting the delivery of projects on time and on budget (90 percent standard).

The activities funded by this decision package supports WSF’s Terminal Engineering Department in the implementation of improvement and preservation projects that improve and maintain the State’s marine transportation system, which serve statewide travel and are considered by the legislature to be of statewide significance.

What are the other important connections or impacts related to this proposal?

Utilization of asset management will provide a structured and prioritized approach to improving upon current WSF practices. Asset management constitutes a framework within which customers and WSF comes to agreements about the quantity and quality of the service to be provided, as well as associated costs. In the case of WSF, Level of Service (LOS) standards would be used to drive decisions about how much ferry service to provide, and the nature of the customer experience. From such LOS standards would flow decisions about the size, location, aesthetics, timing, and prioritization of vessels and terminals.

Implementation of the Asset Management continuous improvement recommendations will provide a standardized, objective decision-making process that is transparent to the Ferries Division customers and other agencies. The Level of Service (LOS) standards that are used to justify the spending programs are readily available to those outside the agency and are based on consideration of impact to customers.

What alternatives were explored by the agency, and why was this alternative chosen?

WSF considered funding the Terminal Engineering Department's project controls and program management activities out of the design budgets of ongoing capital projects. This alternative was rejected, given that the project funding is currently heavily regulated by proviso language in ESHB 2878.

Although WSF has a good understanding of the location, performance, and condition of all of its terminal assets, ensured in part through a regular, thorough program of inspection and documentation, asset data are not integrated and cross-analyzed in order to optimize improvement, preservation, and maintenance work programs. The alternative to implementing the continuous improvement recommendations would be to utilize the asset management program at a sub-optimal level that would fail to fully realize the asset management practices as outlined in the Asset Management Study and in accordance with ESHB 1094.

What are the consequences of not funding this package?

Failure to fund this decision package will jeopardize the ability of WSF's Terminal Engineering Department to develop and manage the capital program.

If asset management implementation and updating is not funded, it would result in incomplete level of utilization of Asset Management program, and a lack of standardization in the use the asset management program that was developed in 2009-13. WSF would not be able to fully utilize a system to improve on its current practices and to continue using the recommendations of the asset management study mandated in ESHB 2358. There were three key findings in the asset management study:

1. WSF relies on the subjective judgment of individuals and poorly documented institutional knowledge to make decisions about the nature, frequency, and prioritization of maintenance. The organization cannot demonstrate that its maintenance protocols are based on any systematic analysis of risk and cost within a structured LOS framework.
2. A chief criticism of the Ferry Financing Study was that WSF relies solely on an imperfect LCCM for predicting and programming preservation projects. The LCCM was found to be imprecise and in many cases led to overstatement of needs. Although it has been improved, it still lacks the full range of inputs necessary to optimize preservation, and it does not provide mechanisms to consider the interdependency of maintenance and preservation programs.

3. WSF lacks both a strategic framework and the analytical tools for systematic asset management. As such, WSF does not develop or adhere to documents that set forth plans for acquiring, operating, maintaining, and preserving assets or asset classes throughout their life-cycle.

What is the relationship, if any, to the capital budget?

Scoping, which is an activity under this decision package prepares the project budgets for capital improvement and preservation projects.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure calculations and assumptions.

- FTEs and labor costs are based on typical positions anticipated to charge to indirect project support cost collection centers.
- Salaries are based on the Step L of the 2008 compensation schedule in which benefits are inflated to 2014 and 2015.
- Benefits are based upon the Washington State Department of Transportation Cost Distribution Rates for permanent employees at regular time.
- Asset management in 2013-15 will be provided by state force staff only.

Which costs and functions are one-time versus ongoing? What are the budget impacts in future biennia?

Funding for the Terminal Engineering Department's project controls and reporting and program planning efforts is expected to continue in future biennia.

Due to the increased level of analysis in the risk-based LCCM, there will be additional on-going costs above the current condition-based version of the LCCM. The on-going costs in future biennia to maintain the asset management program will include the current effort to update the asset condition information, and the additional cost of validation and updating consequence costs including repair and ridership impact costs

The overall project controls and reporting, program planning and asset management budget will be developed using a zero-based budget approach for each budget cycle.

Budget Activity Package: T-2 – Terminal Engineering Technical Support
PIN: 998901B
WIN: M05427C, M05431C, and M05471B

Recommendation Summary Text:

The activity package funds CADD and imaging software upgrades, data collection, large-format printing equipment, and storage and maintenance of steel piling.

Terminal technical support activity package costs and budget will be distributed to all preservation and improvement projects.

Fiscal Detail:

T-2 - Terminal Engineering Technical Support

Fiscal Detail			
Detail by Fund	FY 2014	FY 2015	Total
A90-Puget Sound Capital Construction - State	96,387	61,631	158,019
Total by Fund	96,387	61,631	158,019

Object of Expenditure:

T-2 - Terminal Engineering Technical Support

Object of Expenditure Detail			
Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	30,917	30,917	61,834
B - Benefits	10,970	10,970	21,941
E - Goods and Services	31,500	7,744	39,244
T - Intraagency Reimbursements	23,000	12,000	35,000
Total by Object	96,387	61,631	158,019

Salary and FTE Details:

T-2 - Terminal Engineering Technical Support

Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
BRIDGE ENGINEER 1	0.10	0.10	0.10	5,724	5,724	11,448
MAINTENANCE SPECIALIST 3*	0.02	0.02	0.02	1,037	1,037	2,074
TRANSPORTATION ENGINEER 3	0.02	0.02	0.02	1,395	1,395	2,790
TRANSPORTATION ENGINEER 4	0.21	0.21	0.21	16,169	16,169	32,338
TRANSPORTATION TECHNICIAN 1	0.13	0.13	0.13	5,447	5,447	10,894
TRANSPORTATION TECHNICIAN 3	0.02	0.02	0.02	1,145	1,145	2,290
Total Staff Dollars and FTEs	0.50	0.50	0.50	30,917	30,917	61,834

Note: Position* does not belong to Terminal Engineering.

Package Description:

Steel Piling Inventory (M05427B)

Objects of Expenditure:

**T-2 - Terminal Engineering Technical Support
Steel Piling Inventory (M05427C)**

Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	3,577	3,577	7,154
B - Benefits	1,301	1,301	2,602
E - Goods and Services	-	244	244
Total by Object	4,878	5,122	10,000

Salary and FTE Details:

**T-2 - Terminal Engineering Technical Support
Steel Piling Inventory (M05427C)**

Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
MAINTENANCE SPECIALIST 3*	0.02	0.02	0.02	1,037	1,037	2,074
TRANSPORTATION ENGINEER 3	0.02	0.02	0.02	1,395	1,395	2,790
TRANSPORTATION TECHNICIAN 3	0.02	0.02	0.02	1,145	1,145	2,290
Total Staff Dollars and FTEs	0.06	0.06	0.06	3,577	3,577	7,154

Steel Piling was purchased in past biennia for use in future projects, in order to avoid the rapidly-increasing price of steel and impacts to project schedule due to long lead time of pipe. Escalation in the price of steel was offset by purchasing before steel prices would rise, and by purchasing in bulk. In 2008 all the pipe was consolidated to a WSDOT storage facility in Puyallup, Washington. Funding is for maintenance and inventory management of the piling, and maintenance of the WSDOT site in which it will be stored.

CAE/CADD & Imaging Support (M05431C)

Objects of Expenditure:

**T-2 - Terminal Engineering Technical Support
CAE & Imaging Support (M05431C)**

Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	4,620	4,620	9,240
B - Benefits	1,470	1,470	2,940
E - Goods and Services	29,000	5,000	34,000
Total by Object	35,090	11,090	46,180

Salary and FTE Details:

**T-2 - Terminal Engineering Technical Support
CAE & Imaging Support (M05431C)**

Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
TRANSPORTATION ENGINEER 4	0.06	0.06	0.06	4,620	4,620	9,240
Total Staff Dollars and FTEs	0.06	0.06	0.06	4,620	4,620	9,240

Printing and imaging equipment and related software are used for the production of basemaps, schedules, plan sheets, and presentation graphics. CADD software and utilities are necessary for viewing, printing, and revising AutoCAD documents submitted by consultants. WSDOT uses MicroStation, which is not industry standard; therefore, the need for translation software is on-going. In addition, drafting utilities are needed for design of mechanical Ferries structures including 3D solid modeling and mechanical drafting and, for in-water engineering design, unification of bathymetric and topographic data. Also, due to the increase in the length of time required for a workstation to be in service before retirement there will be an increasing number of incidences when the hardware in a workstation will no longer be able to run Level Playing Field software. At this point WSF will be faced with either upgrading all or part of its computer hardware inventory. In order for WSF to produce the ever more complex graphic elements the agency requires it will have to provide for nominal upgrades to the engineering workstations so that they can be used to run Level Playing field software.

Basemap & Site Plans Revision (M05471B)

Objects of Expenditure:

**T-2 - Terminal Engineering Technical Support
Data Collection and Terminal Basemap Updates (M05471B)**

Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	22,720	22,720	45,440
B - Benefits	8,199	8,199	16,399
E - Goods and Services	2,500	2,500	5,000
T - Intraagency Reimbursements	23,000	12,000	35,000
Total by Object	56,419	45,419	101,839

Salary and FTE Details:

**T-2 - Terminal Engineering Technical Support
Data Collection and Terminal Basemap Updates (M05471B)**

Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
BRIDGE ENGINEER 1	0.10	0.10	0.10	5,724	5,724	11,448
TRANSPORTATION ENGINEER 4	0.15	0.15	0.15	11,549	11,549	23,098
TRANSPORTATION TECHNICIAN 1	0.13	0.13	0.13	5,447	5,447	10,894
Total Staff Dollars and FTEs	0.38	0.38	0.38	22,720	22,720	45,440

WSDOT Ferries Division uses base-maps (plans showing right-of-way boundaries, utilities and site features) for operations planning, engineering design work (in addition to capital projects, the terminals often require upgrades, maintenance and replacement of utilities and structures), location of utility, safety and security structures and equipment, and management of hazardous materials.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

- Documentation and control of stored steel pipe inventory.
- Plan production efficiency and incorporation of scour/bathymetric survey data into project and terminal plans.
- More accurate design models and the ability to share information between other state agencies and offices.
- Preparation of geo-referenced ortho-photos and high accuracy aerial base-maps based on current aerial photography.

Performance measure detail:

Performance Measures for T-2 – Terminal Technical Support	FY 2012	FY 2013
Outcome Measures:		

<ul style="list-style-type: none"> • POG Result Area – Strengthen government's ability to achieve results efficiently and effectively. <ul style="list-style-type: none"> ○ Steel Piling Inventory: Documenting and controlling inventory allows WSF to track and use existing materials before purchasing new materials. ○ CAE/CADD & Imaging Support: Effective transportation system governance and management through the efficient file sharing, translation and processing both inside and outside WSDOT. ○ Base-map & Site Plans Revision: Allow WSDOT to keep complete information on each facility thus allowing up to date information to be kept for the LCCM. Construction expenses by reducing the number or unknowns that the Contractor faces when they work on WSF projects would be decreased. • POG Result Area – Improve the mobility of people, goods, and services. <ul style="list-style-type: none"> ○ Steel Piling Inventory: Manage mobility system demand and maximize operations. 	<p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p>
<p>Output Measures:</p> <ul style="list-style-type: none"> • Steel Piling Inventory • CAE/CADD & Imaging Support • Base-map & Site Plans Revision 	<p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p>
<p>Efficiency/Effectiveness Measures:</p> <ul style="list-style-type: none"> • Improve communication and project design efficiency with updated after construction changes the layout of structures at a terminal. • Increase cost efficiency by upgrading in-house imaging tools. • Responsibly manage steel pile inventory stockpile. 	<p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p>

Is this decision package essential to implement a strategy identified in the agency's strategic plan? If so, please describe.

Goal: Preservation

1. This package supports the *WSDOT Ferries Division Final Long-Range Plan (Long-Range Plan)* by facilitating WSF's efforts to maintain and improve terminals.

Does this decision package provide essential support to one of the Governor's priorities? If so, please describe.

Fund the CAE/CADD & imaging support and base-map & site plans revision activities will strengthen WSF's ability to achieve results efficiently by maintaining and improving file sharing, translation and processing capabilities both inside and outside WSDOT.

The steel piles that are inventoried in this budget activity package are used in terminal projects that improve the mobility of people, goods, and services.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process? If so, please describe.

Ferry connections that serve statewide travel are considered by the legislature to be of statewide significance. Maintaining CAE/CADD & imaging support, base-map & site plans revision capabilities, and the steel pile inventory contribute to the improvement and preservation of terminal facilities.

What are the other important connections or impacts related to this proposal?

Impact on agency clients and services:

CAE/CADD & Imaging Support: WSF works with counties and cities that request information in formats other than those native to WSF. Commonly requested formats includes: CAD file in AutoCad, TIF images, PDF images, DXF images, and a few other minor formats. Without updates, the communications between these entities and WSF will be impacted.

Impact on other state programs or units of government:

Steel Piling Inventory: The price for this work is decreasing as there is only one location to monitor compared to multiple locations with rental rates.

CAE/CADD & Imaging Support: WSF works with the Bridge and Structures Office in Olympia, which uses MicroGDS, and the Equipment and Facilities Office /Architecture in Olympia, which use AutoCAD. WSF does not use the same software as either of these departments and therefore are required to translate any shared graphical information from one format to another.

Base-map & Site Plans Revision: More complete information will give more certainty to the work on site and will speed project delivery.

What alternatives were explored by the agency, and why was this alternative chosen?

Steel Piling Inventory: Another alternative is to pay a private company to maintain the invent, but the least cost to the state for maintaining the inventory is to have the inventory in one location and without paying rent to private companies.

CAE/CADD & Imaging Support:

Software upgrades require no change in funding, as they are a yearly-recurring cost. Eliminating this sub-activity was considered, but it will compromise WSF's ability to meet Objective 5.3 Information Technology and Decision Support Systems: Ensure that information technology and decision support systems support WSDOT's key business functions. Without the imaging support activity, project and program delivery that would not be supported to the level desired, including:

- The ability to translate AutoCAD files: WSDOT uses MicroStation, which is not industry standard; therefore, the need for translation software is on-going.
- Discrepancies in design models and bathymetric and topographic data.
- The ability to produce complex graphics: Due to the increase in the length of time required for a workstation to be in service before retirement there will be an increasing number of incidences when the hardware in a workstation will no longer be able to run Level Playing Field software. At this point the Ferries Division will be faced with either upgrading all or part of its computer hardware inventory. If the upgrades are not available, the Ferries Division's ability to produce the ever more complex graphic elements required by the agency will be limited.
- Efficient plan production: Increases in the amount of time required for plan production, potentially impact project schedules.
- Effective communication: Growing difficult in file sharing and communication with the Ferries Division's clients and consultants.
- Maintaining industry standards.

Base-map & Site Plans Revision:

Alternative 1: Complete remaining base-maps – This is the preferred alternative. In 2005, it was recognized that building base-maps of the terminals would save trips for surveying structures and utilities, as well as reduce design errors by compiling all existing structures that had been built from the time a terminal was put into service. Base-mapping was funded in the 2005-07 biennium for seven terminals. In the 2007-09 biennium, two terminal base-maps were completed to 80% during large design projects, leaving 11 terminals. In the 2009-11 biennium the completion of the Seattle bas-emap is the primary focus. The projects planned for the 2011-13 biennium are Point Defiance and Southworth. The projects planned for the 2013-15 biennium are Friday Harbor, Orcas Island, and Port Townsend. The projects planned for the 2015-17 biennium are Shaw Island and Tahlequah.

Alternative 2: Complete base-maps during the design of large projects – With this alternative, design efficiency is not achieved because the extent of the base-map always exceeds the scope of the design. In addition, small preservation and maintenance projects that occur in the waiting period before a large project is funded continue to incur higher costs due to field reconnaissance, design inefficiencies, and higher risk due to utilities that are unknown or not located accurately.

What are the consequences of not funding this package?

Steel Piling Inventory: WSF would lose its ability to document and control inventory items if this budget activity is not funded.

CAE/CADD & Imaging Support: The benefit of funding Imaging Support will be to directly and indirectly improve the mobility of people and goods, in conformance with the State's strategic framework; conversely, the effect of non-funding is sustaining the condition of inefficient design production.

Base-map & Site Plans Revision : The benefit of funding Base-mapping will be to directly and indirectly improve the mobility of people and goods, in conformance with the State's strategic framework; conversely, the effect of non-funding is sustaining the condition of inefficient design production.

What is the relationship, if any, to the capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure calculations and assumptions.

Steel Piling Inventory:

- Assumes inventory management hours by WSF staff and storage site maintenance hours by headquarters maintenance staff. Cost is biennially recurring until inventory is used.
- The Terminal Engineer 3 is for WSF staff to verify quantities, that contractors have left the facility in good condition, and to keep the spreadsheet of pipe inventory current. This effort equates to 40 to 50 hours per year.
- The Maintenance Specialist is a region position and is required to keep the yard clean and kept up for storage. This would be in the range of 40 hours per year.
- Salaries are based on the Step L of the 2008 compensation schedule in which benefits are inflated to 2014 and 2015.

- Benefits are based upon the Washington State Department of Transportation Cost Distribution Rates for permanent employees at regular time.
- Non-labor expenses for testing and equipment are required to provide for testing of pipe for quality by cutting out coupons and having the analyzed. A rented forklift may also be required to consolidate the piles of material.

CAE/CADD & Imaging Support:

- WSF staff hours are required for installation and management of the equipment and software, which will be charged to the projects currently being worked on.
- Salaries are based on the Step L of the 2008 compensation schedule in which benefits are inflated to 2014 and 2015.
- Benefits are based upon the Washington State Department of Transportation Cost Distribution Rates for permanent employees at regular time.
- Non-labor expenses are for equipment, software, and licenses. Cost for software upgrades recurs yearly.
 - Hardware costs:
 - Update workstation video cards to allow use of Level Playing Field and engineering software
 - 32 workstations x \$250/workstation = \$8,000
 - Additional RAM requirement to run Level Playing Fields software (bring workstations to 8 GB RAM)
 - 16 workstations x \$250/workstation = \$4,000
 - Contingency and maintenance for year two on all hardware = \$2,500
 - Software upgrades:
 - Purchase and training for following:
 - MicroGDS (Requested by Construction) = \$5,000
 - Solid Works (or replacement 3d modeling software) = \$4,750
 - AutoCad support = \$1,350/biennium
 - Update existing software:
 - ACDSee
 - 60 seats x \$80/seat = \$4,800
 - ADOBE Acrobat
 - 10 seats x \$195/seat = \$1,950
 - Maintenance for year two on all software = \$2,500

Base-map & Site Plans Revision:

- Salaries are based on the Step L of the 2008 compensation schedule in which benefits are inflated to 2014 and 2015.
- Benefits are based upon the Washington State Department of Transportation Cost Distribution Rates for permanent employees at regular time.

Which costs and functions are one-time versus ongoing? What are the budget impacts in future biennia?

Steel Piling Inventory: All costs are ongoing until the inventory is exhausted. Costs for maintain the inventory will continue to decrease as the inventory is reduced.

CAE/CADD & Imaging Support: Software costs are expected to recur biennially. Hardware costs are expected to recur only when a component has reached or exceeded its IT retirement date. Software upgrades and hardware replacement costs are ongoing and require a fairly consistent level of funding across biennia.

Base-map & Site Plans Revision: After all of the terminals have complete base-maps, future projects will fund incorporation of changes and as-built data into the base-maps. By building on completed base-maps and updating them using construction as-built information the State saves the cost of performing an additional full survey of the terminal sites in the future.

Budget Activity Package: T-3 Terminal Program Planning & Design Standards
PIN:
WIN: M05408C

Recommendation Summary Text:

At the start of the 2011-13 biennium, the *Terminal Design Manual* and the *Terminal Structures Design Manual* will have only been recently completed and as designers begin to use and reference the manuals, it is inevitable that sections will need to be modified or added. As regulations and codes change, efforts need to be directed towards maintaining the design manuals so that they will stay current.

Fiscal Detail:

T-3 - Terminal Program Planning & Design Standards

Fiscal Detail			
Detail by Fund	FY 2014	FY 2015	Total
A90-Puget Sound Capital Construction - State	67,692	67,692	135,383
Total by Fund	67,692	67,692	135,383

Object of Expenditure

T-3 - Terminal Program Planning & Design Standards

Object of Expenditure Detail			
Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	52,050	52,050	104,100
B - Benefits	15,642	15,642	31,283
Total by Object	67,692	67,692	135,383

Package Description:

Terminal Program Planning & Design Standards (M05408C)

Objects of Expenditure:

**T-3 - Terminal Program Planning & Design Standards
Terminal Design Standards Revisions (M05408C)**

Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	52,050	52,050	104,100
B - Benefits	15,642	15,642	31,283
Total by Object	67,692	67,692	135,383

Salary and FTE Details:

**T-3 - Terminal Program Planning & Design Standards
Terminal Design Standards Revisions (M05408C)**

Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
BRIDGE ENGINEER 5	0.10	0.10	0.10	8,498	8,498	16,996
BRIDGE ENGINEER 7	0.10	0.10	0.10	10,352	10,352	20,704
BRIDGE ENGINEER 7	0.05	0.05	0.05	5,176	5,176	10,352
MARINE MECHANICAL ENGINEER	0.05	0.05	0.05	4,691	4,691	9,382
MARINE PROJECT ENGINEER	0.10	0.10	0.10	9,382	9,382	18,764
TRANSPORTATION ENGINEER 3	0.20	0.20	0.20	13,951	13,951	27,902
Total Staff Dollars and FTEs	0.60	0.60	0.60	52,050	52,050	104,100

The Terminal Engineering Design Manuals will document the standards used by WSF. WSF terminals use distinctly marine- and upland-related design elements which require standards that are not currently incorporated in the current WSDOT Design Manual or Plans Preparation Manual. Some of these elements unique to Ferries include: Architectural guidelines, traffic standards (pertaining to speed limits 15mph and less), mechanical and electrical specifications, security expectations, marine traffic planning, and incorporation of operational level-of-service standards. By funding the formalization of design guidelines, this proposal helps WSF align its design and plans preparation process with the existing WSDOT standards. It also helps ensure the accountability, accuracy and reliability of terminal design efforts

It is important that the recently produced design manuals are updated to incorporate changes and improvements identified through the use of the manuals and to maintain the relevance of the information contained therein.

Some examples of additions to the manuals are:

- System-wide Reservations: The decision to implement reservations system-wide will result in changes to design criteria.
- Sea Level Rise: As the state moves forward and identifies ways to address sea level rise, the manual will need to reflect design changes.

As a result of these updates, the design manuals will remain a relevant tool.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Terminal Design Manual will be updated to improve usability and as regulations and codes change to remain relevant.

Performance measure detail:

Performance Measures for T-3 – Terminal Design Standards	FY 2012	FY 2013
Outcome Measures: <ul style="list-style-type: none"> Maintain efficiency in design: Support government accountability. 	Yes	Yes
Output Measures: <ul style="list-style-type: none"> Revised <i>Terminal Design Manual</i> 	Yes	Yes
Efficiency/Effectiveness Measures: <ul style="list-style-type: none"> <i>Terminal Design Manual</i> will remain relevant. 	Yes	Yes

Is this decision package essential to implement a strategy identified in the agency’s strategic plan? If so, please describe.

Goal: Mobility

1. *Long-Range Plan* includes an initiative to improve the quality, effectiveness and efficiency of the transportation system. Updating the terminal design manual will maintain the specific engineering design criteria for the ferry terminal systems and structures that will be constructed by these projects. The Terminal Program Planning & Design Standards activity package facilitates strategically adding capacity to the ferry system to provide congestion relief.

Does this decision package provide essential support to one of the Governor’s priorities? If so, please describe.

Updated design manuals strengthen government's ability to achieve results efficiently and effectively by providing current, consistent design standards for terminal improvement and preservation projects and maximizing design efforts.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process? If so, please describe.

Ferry connections that serve statewide travel are considered by the legislature to be of statewide significance. Updated design manuals are an efficient and effective approach to the design of improvements and preservation projects at the ferry terminals.

What are the other important connections or impacts related to this proposal?

Current design manuals will result in an increase in efficiency; all designers will have the same criteria and guidelines thereby reducing misguided assumptions and leveling the playing field between new designers and experienced designers.

What alternatives were explored by the agency, and why was this alternative chosen?

The only alternative is to leave the design manuals without updating. This would result in a declining use and applicability and subsequently result in a wasted effort of the 2009-11 expenditures.

What are the consequences of not funding this package?

This would result in a declining use of the manuals as their applicability would diminish with new regulations and codes. Subsequently, it would result in a waste of the 2009-2013 expenditures.

What is the relationship, if any, to the capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure calculations and assumptions.

- FTEs and labor costs are based on typical positions anticipated to charge to indirect project support cost collection centers.
- Salaries are based on the Step L of the 2008 compensation schedule in which benefits are inflated to 2010 and 2011.
- Benefits are based upon the Washington State Department of Transportation Cost Distribution Rates for permanent employees at regular time.

Which costs and functions are one-time versus ongoing? What are the budget impacts in future biennia?

Updating and maintaining the manuals is on-going cost. Adding to and improving the manuals will be a onetime cost in the 2013-15 biennium. However, there will be ongoing maintenance required to keep the manuals current in 2013 and beyond. The level of effort to maintain these manuals will decrease in the next biennium after the manuals have gone through the initial use. It is anticipated that some level of effort will be required in each biennium to update and maintain the manuals for future use.

Budget Activity Package: T-4 – Terminal Engineering Studies
PIN:
WIN: M05485D

Recommendation Summary Text:

To maintain the safety of the traveling public and evaluating the competency of WSF’s structures, this decision package funds the development and prioritization of seismic retrofit projects.

At WSF, 75% of our trestles, Transfer Spans, and Overhead loading structures were designed before 1998. Before this time Structures design (UBC) did not include soil characteristics in the earthquake design. At WSF, none of the terminal buildings which the public uses have ever been evaluated for life safety in a seismic event. Most of these buildings were built before 1995.

The WSF Mission is to provide safe and reliable ferry service to our customers. Studies have indicated there is a 15% chance in 50 years of a major earthquake occurring in the Puget Sound region. (500 year EQ Event) In a major seismic event our terminals will not be able to operate. Movement of people and commerce will be stopped.

In 2009-11, a study was initiated to identify all ferry terminal seismic structural vulnerabilities and develop a seismic retrofit prioritization method. These deficiencies are numerous. WSF does not have the financial resources to retrofit and or replace all of these structures. Through this activity package, WSF will prioritize these projects so that the projects that provide the most benefit towards public safety and ferry operations will be addressed first. A long range plan for replacement or retrofit will be developed as a result of this Seismic Retrofit Program. This long range plan will become part of WSF Capital Improvement Program.

Fiscal Detail:

T-4 - Terminal Engineering Studies

Fiscal Detail			
Detail by Fund	FY 2014	FY 2015	Total
A90-Puget Sound Capital Construction - State	232,662	232,662	465,324
Total by Fund	232,662	232,662	465,324

Objects of Expenditure:

T-4 - Terminal Engineering Studies

Object of Expenditure Detail			
Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	97,407	97,407	194,814
B - Benefits	29,235	29,235	58,471
J - Capital Outlay	106,020	106,020	212,039
Total by Object	232,662	232,662	465,324

Salary and FTE Details:

T-4 - Terminal Engineering Studies

Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
BRIDGE ENGINEER 5*	1.00	1.00	1.00	84,984	84,984	169,968
BRIDGE ENGINEER 7	0.12	0.12	0.12	12,423	12,423	24,846
Total Staff Dollars and FTEs	1.12	1.12	1.12	97,407	97,407	194,814

Note: Position* does not belong to Terminal Engineering.

Package Description:

Terminal Engineering Studies (M05485D)

Objects of Expenditure:

T-4 - Terminal Engineering Studies

Tml Structures Seismic Evaluations 13-15 (M05485D)

Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	97,407	97,407	194,814
B - Benefits	29,235	29,235	58,471
J - Capital Outlay	106,020	106,020	212,039
Total by Object	232,662	232,662	465,324

Salary and FTE Details:

T-4 - Terminal Engineering Studies

Tml Structures Seismic Evaluations 13-15 (M05485D)

Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
BRIDGE ENGINEER 7	0.12	0.12	0.12	12,423	12,423	24,846
BRIDGE ENGINEER 5*	1.00	1.00	1.00	84,984	84,984	169,968
Total Staff Dollars and FTEs	1.12	1.12	1.12	97,407	97,407	194,814

This proposal directly addresses the WSDOT goal of maintaining the safety of the traveling public. The objectives of this seismic retrofit program are to minimize the risks of complete structure collapse, minimize the loss of life and disruption of commerce. In addition, requirements of the Code of Federal Regulation will be met with these studies.

WSF's terminals are a composition of structures containing trestles, transfer spans, towers, overhead loading systems, buildings, and other components. In general these structures were built to previous design codes that do not meet current seismic design standards.

Current retrofit standards are to review existing bridge structures for both a 100-year and 1,000-year recurrence level earthquakes. Expectation is that after a 100-year earthquake event there is no

operational loss to any terminal facility and that no collapse occurs due to a 1,000-year earthquake event. This is a departure from past design codes that used a single 475-year recurrence level earthquake for design of the structures.

With the difference in seismic design standards it is anticipated that all structures should be reviewed. This includes a few complex structures that should potentially be analyzed by advanced analytical methods. To provide advanced analytical skills and software programs specialist would be used to provide the necessary analysis capabilities.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This activity package will contribute to the improved safety of the traveling public during and after and seismic event and will enable WSF to meet the requirements of the Code of Federal Regulations.

Performance measure detail:

Performance Measures for T-4 – Terminal Engineering Studies	FY 2012	FY 2013
Outcome Measures: <ul style="list-style-type: none"> • Prepare for emergencies: <ul style="list-style-type: none"> ○ Prioritize seismic retrofit improvement projects 	Yes	Yes
Output Measures: <ul style="list-style-type: none"> • Prioritized list of projects for retrofit or replacement 	Yes	Yes
Efficiency/Effectiveness Measures: <ul style="list-style-type: none"> • Projects will be identified for funding in the 2013-15 biennium. 	Yes	Yes

Is this decision package essential to implement a strategy identified in the agency’s strategic plan? If so, please describe.

Goal: Safety

1. *Long-Range Plan* includes improvements that can be demonstrated to add significant value, including seismic projects. Seismic code for existing structures has been updated since many of WSF’s structures were designed and constructed. Without developing and then implementing specific seismic retrofit projects, WSF would be unable to ensure the safety of its terminals in an earthquake event as structures that have not been built to resist a seismic event are at risk for failure when an earthquake occurs.
2. The Strategic Implementation Plan includes the strategy of improving WSDOT’s emergency response capabilities. The retrofit of terminals will improve WSDOT’s emergency response capabilities by improving the likelihood of maintaining ferry operations after an earthquake.

Does this decision package provide essential support to one of the Governor’s priorities? If so, please describe.

Seismically retrofitting terminals improves the likelihood of maintaining the statewide mobility of people, goods, and services after an earthquake and improves the safety of people and property by managing the risk associated with earthquake events.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process? If so, please describe.

After a significant seismic event, the State's marine highways may be relied upon to provide transportation to emergency response vehicles and first responders, especially if roads become impassable. The retrofit of terminals will improve service by increasing the likelihood of maintaining operations after an earthquake.

What are the other important connections or impacts related to this proposal?

Impact on agency clients and services:

Retrofit of terminals will improve service by increasing the likelihood of maintaining operations after an earthquake. Loss of use of any WSF terminal would result in a total shutdown of that transportation route, and effectively stop all traffic, including public and commercial.

Impact on other state programs or units of government:

Retrofit of terminals will improve service by increasing the likelihood of maintaining operations after an earthquake. Loss of use of any WSF terminal would result in a total shutdown of that transportation route, and effectively stop all traffic, including emergency vehicles.

What alternatives were explored by the agency, and why was this alternative chosen?

The alternatives are to:

1. Do nothing. This puts WSF's marine transportation at severe seismic risk.
2. Replace all terminal facilities without new structures designed to current earthquake codes. This option would require excessive capital costs with a low benefit cost ratio.

Continuing the program will allow WSF to prioritize retrofit projects and reduce the seismic risk.

What are the consequences of not funding this package?

Without developing and then implementing specific seismic retrofit projects, WSF would be unable to ensure the safety of its terminals in an earthquake event as structures that have not been built to resist a seismic event are at risk for failure when an earthquake occurs.

What is the relationship, if any, to the capital budget?

The seismic retrofit prioritization program will result in future capital budget requests for funding to retrofit or replace the most critical terminal assets.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure calculations and assumptions.

- The effort required for the seismic retrofit prioritization program is similar to the effort required for the seismic retrofit evaluation of terminal structures performed in the 2011-13 biennium.
- Salaries are based on the Step L of the 2008 compensation schedule in which benefits are inflated to 2014 and 2015.

- Benefits are based upon the Washington State Department of Transportation Cost Distribution Rates for permanent employees at regular time.
- Non-Labor Costs – Consultant: A Structural Engineer Seismic Specialist is required for the seismic retrofit program. According to the Seismic Retrofit Guidelines many of WSF's structures are considered irregular. Irregular Structures are not addressed in the Seismic Retrofit Guidelines. The Seismic Specialist will be brought in to provide analysis and retrofit recommendations for irregular structures and review and comment on WSF reports produced as part of the seismic retrofit program.
 - The billing rate for a Seismic Specialist is \$210/hour X 475 = \$100,000.

Which costs and functions are one-time versus ongoing? What are the budget impacts in future biennia?

The seismic retrofit prioritization program is a one-time cost. The seismic retrofit prioritization program will result in future requests for funding to retrofit or replace the most critical terminal assets.

Budget Activity Package: T-5 – Regulatory Compliance & Inspections
PIN:
WINs: M05426D, M05493A, M05468C, M05469C, M05470C, M05488C, and M05478C

Recommendation Summary Text:

This activity package funds terminal activities required by legislation, code, and statute. Activities include developing an overweight vehicle evaluation program; performing capacity analysis for structures; overwater, underwater, and upland inspections of terminal structures and systems; and developing and implementing programmatic procedures for environmental compliance and permitting.

Fiscal Detail:

T-5 - Regulatory Compliance & Inspections

Fiscal Detail			
Detail by Fund	FY 2014	FY 2015	Total
A90-Puget Sound Capital Construction - State	787,540	874,540	1,662,080
Total by Fund	787,540	874,540	1,662,080

Objects of Expenditure:

T-5 - Regulatory Compliance & Inspections

Object of Expenditure Detail			
Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	487,469	487,469	974,938
B - Benefits	154,991	154,991	309,982
C - Personal Service Contracts	70,000	170,000	240,000
E - Goods and Services	22,000	9,000	31,000
G - Travel	3,080	3,080	6,160
J - Capital Outlay	50,000	50,000	100,000
Total by Object	787,540	874,540	1,662,080

Salary and FTE Details:

T-5 - Regulatory Compliance & Inspections

Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
BRIDGE ENGINEER 1	0.05	0.05	0.05	2,862	2,862	5,724
BRIDGE ENGINEER 3*	0.50	0.50	0.50	34,878	34,878	69,756
BRIDGE ENGINEER 4	0.05	0.05	0.05	3,850	3,850	7,700
BRIDGE ENGINEER 4*	0.23	0.23	0.23	17,708	17,708	35,416
BRIDGE ENGINEER 5	0.40	0.40	0.40	33,993	33,993	67,986
BRIDGE ENGINEER 5*	0.50	0.50	0.50	42,492	42,492	84,984
BRIDGE ENGINEER 6*	0.50	0.50	0.50	46,908	46,908	93,816
BRIDGE ENGINEER 7	0.12	0.12	0.12	12,422	12,422	24,844
BRIDGE ENGINEER 7	0.30	0.30	0.30	31,057	31,057	62,114
ELECTRICIAN *	0.25	0.25	0.25	12,042	12,042	24,084
MACHINIST TRANS*	0.50	0.50	0.50	24,084	24,084	48,168
MARINE MECHANICAL ENGINEER	0.25	0.25	0.25	23,454	23,454	46,908
MARINE PROJECT ENGINEER	0.28	0.28	0.28	26,268	26,268	52,536
TRANSPORTATION ENGINEER 2	0.40	0.40	0.40	25,276	25,276	50,552
TRANSPORTATION ENGINEER 3	0.15	0.15	0.15	10,464	10,464	20,928
TRANSPORTATION ENGINEER 3	0.07	0.07	0.07	4,883	4,883	9,766
TRANSPORTATION ENGINEER 4	0.06	0.06	0.06	4,620	4,620	9,240
TRANSPORTATION PLANNING SPECIALIST 3	0.30	0.30	0.30	20,927	20,927	41,854
TRANSPORTATION PLANNING SPECIALIST 4	0.20	0.20	0.20	15,398	15,398	30,796
TRANSPORTATION PLANNING SPECIALIST 5	0.70	0.70	0.70	59,489	59,489	118,978
TRANSPORTATION PLANNING SPECIALIST 5*	0.25	0.25	0.25	21,246	21,246	42,492
TRANSPORTATION TECHNICIAN 2	0.10	0.10	0.10	5,057	5,057	10,114
TRANSPORTATION TECHNICIAN 2	0.16	0.16	0.16	8,091	8,091	16,182
Total Staff Dollars and FTEs	6.32	6.32	6.32	487,469	487,469	974,938

Note: Position* does not belong to Terminal Engineering.

Package Description:

Bridge Load Ratings (M05426D)

Object of Expenditure

T-5 - Regulatory Compliance & Inspections

Bridge Load Ratings (M05426D)

Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	31,706	31,706	63,412
B - Benefits	9,461	9,461	18,922
Total by Object	41,167	41,167	82,334

FTE and Salary Details:

**T-5 - Regulatory Compliance & Inspections
Bridge Load Ratings (M05426D)**

Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
BRIDGE ENGINEER 5	0.30	0.30	0.30	25,495	25,495	50,990
BRIDGE ENGINEER 7	0.06	0.06	0.06	6,211	6,211	12,422
Total Staff Dollars and FTEs	0.36	0.36	0.36	31,706	31,706	63,412

Per CFR Title 23 Part 650.313, WSDOT BDM, and AASHTO Manual for Bridge Evaluation perform load ratings and revise existing load ratings of all terminal structures that resist traffic or other moving loads. Load Rating calculations provide a basis for determining the safe load carrying capacity of a structure. Each structure is required to be load rated at two levels, Inventory and Operating. An Inventory Rating (HS-20 Truck) provides a comparison between all structures; an Operating Rating describes the maximum permissible Live Load on a structure. This effort will revise Load Ratings based on changes to the structures

On a biennial or sometimes an annual basis the WSDOT Bridge and Structures Office performs structural inspections and reports this data to the WSDOT Ferries Division Terminal Engineering Structural Design Unit. The Load Rating Program will review these reports and identify areas of concern.

Funding of this proposal will also provide the resources to complete or update terminal load ratings based on the following:

- Terminal mechanical/structural upgrades or modifications
- Updates in structural bridge codes
- Revisions in capacity as a result of bridge inspections
- Unanticipated damage or changes to the structures
- Construction of new terminals

Overweight Vehicle Evaluation Program (M05493A)

Object of Expenditure

**T-5 - Regulatory Compliance & Inspections
Overweight Vehicle Evaluation Program (M05493A)**

Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	23,919	23,919	47,838
B - Benefits	7,361	7,361	14,722
Total by Object	31,280	31,280	62,560

Salary and FTE Details:

**T-5 - Regulatory Compliance & Inspections
Overweight Vehicle Evaluation Program (M05493A)**

Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
BRIDGE ENGINEER 4*	0.23	0.23	0.23	17,708	17,708	35,416
BRIDGE ENGINEER 7	0.06	0.06	0.06	6,211	6,211	12,422
Total Staff Dollars and FTEs	0.29	0.29	0.29	23,919	23,919	47,838

This proposal maintains funding for Washington State Ferries' (WSF) Terminal Overweight Vehicle Evaluation Program. In accordance with the Washington State Commercial Vehicle Guide vehicles registered with a GVW in excess of 80,000 pounds must have special permission from WSF to ensure that overweight vehicles do not damage any terminal structures. WSF's Overweight Vehicle Evaluation Program analyzes overweight vehicles to ensure terminal structures (trestles, transfer spans, etc.) are not damaged by these vehicles.

Funding of this proposal will provide the resources to do the following:

- Maintain procedures to efficiently analyze overweight vehicle loads
- Approve Overweight Vehicle Permit Requests for travel on WSF Timber Trestles and Transfer Spans.
- Revise criteria and guidelines for restricting overweight truck axle weights and spacings if necessary.
- Coordinate with Terminal Agents to be sure the Overweight Procedure is carried out correctly at each terminal.

Inspection Program

WSF inspection program includes the following sub-projects, which are described in detail below:

- Bridge & Underwater Inspection (M05468C)
- Scour Monitoring & Landing Aid Inspections (M05469C)
- Mechanical and Electrical Inspections (M05470C)
- Paving and Building Inspections (M05488C)

➤ **Bridge & Underwater Inspection (M05468C)**

Object of Expenditure

**T-5 - Regulatory Compliance & Inspections
Bridge & Underwater Inspections (M05468C)**

Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	149,176	149,176	298,352
B - Benefits	45,804	45,804	91,609
C - Personal Service Contracts	-	100,000	100,000
E - Goods and Services	4,000	-	4,000
G - Travel	3,000	3,000	6,000
Total by Object	201,980	297,980	499,961

Salary and FTE Details:

Bridge & Underwater Inspections (M05468C)

Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
BRIDGE ENGINEER 3*	0.50	0.50	0.50	34,878	34,878	69,756
BRIDGE ENGINEER 4	0.05	0.05	0.05	3,850	3,850	7,700
BRIDGE ENGINEER 5*	0.50	0.50	0.50	42,492	42,492	84,984
BRIDGE ENGINEER 6*	0.50	0.50	0.50	46,908	46,908	93,816
MARINE PROJECT ENGINEER	0.15	0.15	0.15	14,072	14,072	28,144
TRANSPORTATION ENGINEER 3	0.10	0.10	0.10	6,976	6,976	13,952
Total Staff Dollars and FTEs	1.80	1.80	1.80	149,176	149,176	298,352

Structural and Dive Inspections: The National Bridge Inspection Standards (NBIS) are published in the CFR (Code of Federal Regulations) Title 23, Part 650, Subpart C. The NBIS sets the national standard for the proper safety inspection and evaluation of bridges and applies to all structures defined as highway bridges located on all public roads. Every 24 months, qualified personnel from the WSDOT Bridge Preservation office are responsible for inspecting and reporting on the ferry terminal trestles, transfer spans, and passenger overhead loading structures. Underwater inspections are required at least every 60 months. Bridge Preservation in concurrence with WSF inspects some structures more frequently due to age or type of construction.

➤ **Scour Monitoring & Landing Aid Inspections (M05469C)**

Object of Expenditure

**T-5 - Regulatory Compliance & Inspections
Scour Monitoring & Landing Aid Inspections**

Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	35,988	35,988	71,976
B - Benefits	12,696	12,696	25,391
E - Goods and Services	10,000	-	10,000
Total by Object	58,684	48,684	107,367

Salary and FTE Details:

**T-5 - Regulatory Compliance & Inspections
Scour Monitoring & Landing Aid Inspections (M05469C)**

Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
BRIDGE ENGINEER 1	0.05	0.05	0.05	2,862	2,862	5,724
BRIDGE ENGINEER 5	0.10	0.10	0.10	8,498	8,498	16,996
MARINE PROJECT ENGINEER	0.02	0.02	0.02	1,876	1,876	3,752
TRANSPORTATION ENGINEER 2	0.20	0.20	0.20	12,638	12,638	25,276
TRANSPORTATION TECHNICIAN 2	0.10	0.10	0.10	5,057	5,057	10,114
TRANSPORTATION TECHNICIAN 2	0.10	0.10	0.10	5,057	5,057	10,114
Total Staff Dollars and FTEs	0.57	0.57	0.57	35,988	35,988	71,976

Scour and Landing Aid inspections: The propellers wash from the vessels causes scour of the sediment at the base of the landing aid structures and trestle. The depth of the scour is recorded with bathymetric soundings then documented for assessment by the structural engineers. Scour monitoring is performed yearly, and in accordance with the National Bridge Inspection Standards and CFR Title 23, Part 650, Subpart C – Bridges, Structures, and Hydraulics.

Landing aids (dolphins, wingwalls, transfer spans and trestles) are critical structures in the terminal inventory. Landing aid inspections are performed yearly on wingwalls, dolphins in order to assess the condition, operability and safety of these structures.

➤ **Mechanical & Electrical Inspections (M05470C)**

Object of Expenditure

**T-5 - Regulatory Compliance & Inspections
Mechanical & Electrical Inspections (M05470C)**

Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	106,338	106,338	212,676
B - Benefits	35,286	35,286	70,571
C - Personal Service Contracts	50,000	50,000	100,000
E - Goods and Services	8,000	9,000	17,000
Total by Object	199,624	200,624	400,247

Salary and FTE Details:

**T-5 - Regulatory Compliance & Inspections
Mechanical & Electrical Inspections (M05470C)**

Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
BRIDGE ENGINEER 7	0.30	0.30	0.30	31,057	31,057	62,114
ELECTRICIAN *	0.25	0.25	0.25	12,042	12,042	24,084
MACHINIST TRANS*	0.25	0.25	0.25	12,042	12,042	24,084
MACHINIST TRANS*	0.25	0.25	0.25	12,042	12,042	24,084
MARINE MECHANICAL ENGINEER	0.25	0.25	0.25	23,454	23,454	46,908
MARINE PROJECT ENGINEER	0.10	0.10	0.10	9,382	9,382	18,764
TRANSPORTATION ENGINEER 2	0.10	0.10	0.10	6,319	6,319	12,638
Total Staff Dollars and FTEs	1.50	1.50	1.50	106,338	106,338	212,676

Mechanical and Electrical Inspection/Preservation: Qualified Ferries personnel are responsible for inspecting the mechanical and electrical components of the transfer spans, and passenger overhead loading structures, in accordance with the National Bridge Inspection Standards and CFR Title 23, Part 650, Subpart C – Bridges, Structures, and Hydraulics. These inspections document the condition as well as replace obsolete or components that do not meet current safety and regulatory requirements.

➤ **Paving & Building Inspections (M05488C)**

Object of Expenditure

**T-5 - Regulatory Compliance & Inspections
Paving & Building Inspections (M05488C)**

Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	23,282	23,282	46,564
B - Benefits	7,988	7,988	15,976
G - Travel	80	80	160
Total by Object	31,350	31,350	62,700

Salary and FTE Details:

**T-5 - Regulatory Compliance & Inspections
Paving & Building Inspections (M05488C)**

Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
MARINE PROJECT ENGINEER	0.01	0.01	0.01	938	938	1,876
TRANSPORTATION ENGINEER 2	0.10	0.10	0.10	6,319	6,319	12,638
TRANSPORTATION ENGINEER 3	0.05	0.05	0.05	3,488	3,488	6,976
TRANSPORTATION ENGINEER 3	0.07	0.07	0.07	4,883	4,883	9,766
TRANSPORTATION ENGINEER 4	0.06	0.06	0.06	4,620	4,620	9,240
TRANSPORTATION TECHNICIAN	0.06	0.06	0.06	3,034	3,034	6,068
Total Staff Dollars and FTEs	0.35	0.35	0.35	23,282	23,282	46,564

Paving and Building Inspections: Paving inspections have been performed in-house by WSF staff using the WSDOT Local Programs guidelines. WSF is attempting to develop a predictive model that will forecast the optimum time to rehabilitate pavement with performance curves that are unique to low speeds and traffic holding.

Inspections of terminal buildings is a biennial inspection and as-needed activity for ensuring the safety and operation of the buildings and vendor areas also this information is used to update the WSDOT Facilities inventory system.

All of these reports are used to update the condition parameter in the Life Cycle Cost Model (LCCM) per RCW 47.660.345(2). Additionally the reports are used to identify items that require repair, preservation, calculate load ratings, and verify as-built systems.

➤ **Terminal Maritime Security Inspections (M05492A)**

Object of Expenditure

**T-5 - Regulatory Compliance & Inspections
Terminal Maritime Security Inspections (M05492A)**

Detail by Object of Expenditure	FY 2014	FY 2015	Total
C - Personal Service Contracts	20,000	20,000	40,000
Total by Object	20,000	20,000	40,000

Terminal Maritime Security Inspections: a program to support the activities to develop and implement inspections of security protocols and infrastructure at the Washington State Ferries terminals as per 33 CFR 105.

Environmental Support (M05478C)

Object of Expenditure

**T-5 - Regulatory Compliance & Inspections
Environmental Support (M05478C)**

Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	117,060	117,060	234,120
B - Benefits	36,395	36,395	72,791
J - Capital Outlay	50,000	50,000	100,000
Total by Object	203,455	203,455	406,911

Salary and FTE Details:

**T-5 - Regulatory Compliance & Inspections
Environmental Support (M05478C)**

Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
TRANSPORTATION PLANNING SPECIALIST 3	0.30	0.30	0.30	20,927	20,927	41,854
TRANSPORTATION PLANNING SPECIALIST 4	0.20	0.20	0.20	15,398	15,398	30,796
TRANSPORTATION PLANNING SPECIALIST 5	0.70	0.70	0.70	59,489	59,489	118,978
TRANSPORTATION PLANNING SPECIALIST 5*	0.25	0.25	0.25	21,246	21,246	42,492
Total Staff Dollars and FTEs	1.45	1.45	1.45	117,060	117,060	234,120

Environmental Support: WSF developed the System-wide Terminal Regulatory program to deal with the increasing regulatory requirements for ferry transportation capital projects at federal, state and local levels that cause project delays and increase cost. In response to project delays and cost, the State legislator passed the Transportation Permit Efficiency and Accountability Committee (TPEAC) to improve environmental permitting for transportation projects across the state. In order to comply with the numerous environmental requirements, WSF developed strategies including programmatic permits, Reference Biological Assessment (BA), terminal construction permitting procedures, commitment tracking, compliance monitoring, marine research, inter- agency and intra-agency coordination, state legislation analysis, federal regulatory reviews, and local ordinance, to ensure that WSF’s mandate to safely operate ferries across Puget Sound is preserved.

The program has helped reduce WSF’s costs and time for permitting maintenance and some preservation projects by as much as 75 percent. It is expected that the program will continue to help reduce cost and time for permitting most terminal preservation projects. The reference BA reduced the ESA consultation time by 30 percent. It also brings predictability in timing project execution, mitigation requirements and compliance with environmental regulations and requirements.

There are several regulatory changes and new species listed under ESA that have been introduced to ensure better protection of the environmental and ESA species, and water quality. These regulatory changes have significant cost increases and project delays to WSF’s capital construction program if the Reference BA is not updated.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This activity package funds activities required by legislation, code, and statute. The outcomes of these efforts will facilitate maintenance, preservation and improvements at terminal facilities by implementing or updating the procedures and assessment tools used by WSF to make preservation and improvement decisions.

Performance Measures for T-5 – Regulatory Compliance	FY 2012	FY 2013
Efficiency/Effectiveness Measures: <ul style="list-style-type: none"> • Adhere to the Code of Federal Regulations by assessing the safety and load-carrying capacity of Ferries bridge structures. • Update the condition rating component of the LCCM as determined by inspection and structural analysis. • Reduce cost and time for permitting terminal preservation projects with streamlined compliance strategies. • Bring predictability to the timing of project execution, by meeting mitigation requirements. • Comply with environmental regulations and requirements. • Improve scope, schedule and budget development by establishing a better understanding of construction impacts and permitting requirements. 	Yes Yes Yes Yes Yes Yes	Yes Yes Yes Yes Yes Yes

Is this decision package essential to implement a strategy identified in the agency’s strategic plan? If so, please describe.

Goal: Terminal Preservation

1. Inspections are necessary for updating of the LCCM. An updated LCCM is required for developing the budget request for terminal preservation funding. RCW 47.60.345
2. Terminal preservation projects must be permitted by local, state and federal jurisdictions before construction can take place.
3. Terminal preservation projects will be programmed to achieve Category 1 (vital) and Category 2 (non-vital) preservation performance targets, per the Office of Financial Management.

Goal: Safety

1. Load rating analysis uses inspections of existing conditions of the terminal structures for calculating the load-carrying capacity of every transfer span and trestle. This analysis is used for overweight vehicle applications and to document and monitor the structural capacity of WSF’s bridge structures. The national standards for the proper safety inspection and evaluation of all highway bridges are met with this analysis. Inspections are required for compliance with the CFR, to find and monitor deteriorating structural conditions so that serviceability, safety and functional obsolescence can be determined.
2. Load rating analysis uses inspections of existing conditions of the terminal structures for calculating the load-carrying capacity of every transfer span and trestle. This analysis is used for overweight vehicle applications and to document and monitor the structural capacity of WSF’s bridge structures. The national standards for the proper safety inspection and evaluation of all highway bridges are met with this analysis.

Goal: Environment

1. The system-wide environmental compliance ensures more predictable, efficient and effective environmental permitting of terminal capital maintenance, preservation and improvement projects. It also helps WSF to communicate TE environmental compliances to stakeholders.

Does this decision package provide essential support to one of the Governor's priorities? If so, please describe.

The environmental activities support WSF's compliance with environmental regulations contributing to the States' efforts to improve the quality of Washington's natural resources.

The inspection program and load rating analysis contribute to the preservation of WSF's ability to move people, goods and services by monitoring the condition of terminal structures and systems and protecting structures from unnecessary stress.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process? If so, please describe.

Funding the environmental support activities allows coordination between WSF and WSDOT Headquarters Environmental Services staff on issues of statewide significance, including in-water work permits, environmental compliance and standards and safeguards.

What are the other important connections or impacts related to this proposal?

Impact on agency clients and services:

Bridge Load Ratings: Evaluating the load-carrying capacity of WSF's bridge structures will provide information needed to post legal load limits, and bring Ferries bridge structures into compliance with CFR Title 23 Part 650.313, the WSDOT Bridge Design Manual, and AASHTO Manual Condition Evaluation of Bridges. In addition, evaluating the continuing changing capacity of terminal structures and improving the accuracy of the overweight vehicle approval process will make the terminals safer for the traveling public.

Environmental Support: Reviewing and analyzing bills and regulations gives WSF the opportunity to influence final rule making that may affect ferry services and project delivery. This increases efficiency and effectiveness in delivering ferry terminal capital projects in a more predictable environmentally responsible manner.

Impact on other state programs or units of government:

Paving and Building Inspections: Conducting the pavement survey program with WSDOT resources and pavement structural condition ratings will provide cost-effective pavement rehabilitation forecasts.

Environmental Support: WSF will coordinate with WSDOT statewide and with WSDOT Headquarters on matters of statewide significance.

What alternatives were explored by the agency, and why was this alternative chosen?

Bridge Load Ratings: The following alternatives were considered, but were discarded since they could result in unnecessary risks to customer safety:

1. Do not update calculations based on bridge inspections. Load ratings would be inaccurate not truly reflecting the capacity of the structures.
2. Do not perform checking of calculations. Checking of calculations is standard practice in the structural engineering profession.

Overweight Vehicle Evaluation Program: Maintaining the existing overweight vehicle evaluation procedure was considered, but discarded since the existing procedure was developed several years ago. Since the overweight vehicle evaluation procedure was developed, codes have changed, and terminal

assets have degraded. Continuing to use this procedure as is, may result in damage to terminal assets and a risk to the traveling public.

Inspection Program: The inspection program is a well-established need and required to meet federal and legislative requirements and the terminal preservation program's needs. Within the inspection program WSF uses many alternatives to meet this need, including:

- Combining inspections into groups;
- Allocating the same resource for consistency;
- Contracting out select inspections where appropriate;
- Streamlining methods; and
- Using previously proven methods modified for the uniqueness of the terminal structures.

Environmental Support: As an alternative, WSF could secure environmental permits and approvals on a project-by-project basis, which would result in additional costs and delays. Without the proactive approach, WSF will be required to consult with the USFWS and NMFS on every terminal construction project individually which impact project schedules and increase work load for both WSF and the regulatory agencies. Individual ESA consultation for projects takes between 90 to 360 days. WSF may have to use consultant services or hire more FTE to respond to the changing requirements in a reactionary mode, rather. This method of responding to environmental changes and requirements is not efficient and detrimental to project delivery, and costly. WSF is currently saving up to 75 percent of the time it takes to permit a maintenance project due to increase in use of programmatic permits. Not understanding issues with pile driving noise effect on fish, marine mammals, and sea birds; and shading effect on fish migration under dock through special studies and research, WSF would not have the best available science information to negotiate project mitigation and conservation measures.

What are the consequences of not funding this package?

Bridge Load Ratings: Not funding this package will result in a violation of previously stated state and federal requirements and jeopardize the safety of the traveling public.

Overweight Vehicle Evaluation Program: Without the funding, WSF will be unable to update its structural models and structural analysis tools with data from the latest WSDOT Bridge and Structures Office Reports. This becomes a serious safety risk, as WSF will not be able to accurately analyze the structural integrity of its terminals. Terminal structures may be more damaged than previously assessed and may require repairs at a faster rate. This proposal ensures the structural safety of the terminals and the alignment of WSF's data with WSDOT Bridge and Structures Office findings.

Inspection Program: WSF will not be in compliance with federal and legislative requirements will not have the information needed to update the capital preservation program as well as identifying any emerging asset problems with the terminals.

Environmental Support: Should the system-wide environmental compliance not be funded, WSF's terminal capital projects may not comply with federal, state and local laws and regulations. WSF will not be able to coordinate with WSDOT statewide and with WSDOT Headquarters on matters of statewide significance. Project development cost will increase and permitting uncertainties will grow which will put projects at risk.

What is the relationship, if any, to the capital budget?

Environmental Support: Without the environmental support in advance of terminal construction projects, the terminal construction program will not meet the legislative schedule and budget requirements because of uncertainties surrounding permit conditions, increasing the capital budget required for each project with in-water construction.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure calculations and assumptions.

Bridge Load Ratings & Overweight Vehicle Evaluation Program:

- The number of FTEs is estimated based on the amount of effort required to perform the load rating analysis.
- Salaries are based on the Step L of the 2008 compensation schedule in which benefits are inflated to 2014 and 2015.
- Benefits are based upon the Washington State Department of Transportation Cost Distribution Rates for permanent employees at regular time.

Inspection Program:

- The FTEs are based on the scheduled inspections and the typical positions required to complete the inspections.
- Salaries are based on the Step L of the 2008 compensation schedule in which benefits are inflated to 2014 and 2015.
- Benefits are based upon the Washington State Department of Transportation Cost Distribution Rates for permanent employees at regular time.
- The dive consultant will be used for the Seattle dive inspection in 2015. WSDOT Bridge Preservation Office dives all WSF terminals except Eagle Harbor and Seattle, which are too big for their work load. The WSDOT BPO administers the consultant agreement and uses their divers on some of the facilities. The cost estimate of \$100,000 is based on our most recently completed dive at Seattle with escalation factors.
- Personal Service Contracts includes \$40,000 as a placeholder for terminal maritime security inspections.
- Goods and services are to cover the replacement of bathymetric sounding gear, vendor services, remote access, manlift rentals, and Bridge Office inspection supplies.

Environmental Support:

- The FTEs are based on the anticipated level of effort to perform the activities identified.
- Salaries are based on the Step L of the 2008 compensation schedule in which benefits are inflated to 2014 and 2015.
- Benefits are based upon the Washington State Department of Transportation Cost Distribution Rates for permanent employees at regular time.
- The consultant tasks include:
 - Updating the environmental permitting procedure manual.
 - Reference Biological Assessment updates to include new listed species, project impacts and mitigation techniques.

- The U.S Army Corps 18 pile programmatic has been revoked by the Corps. WSF needs to do a formal ESA consultation for a new programmatic permit that will allow WSF to install 24 inches or larger piles for terminal maintenance projects.

The estimate is based on past work to update these manuals, and developing permitting strategies for WSF based on the four distinct tasks at \$25,000 each. One major assumption to use consultants is that WSDOT does not have the FTE to do this work in-house.

Which costs and functions are one-time versus ongoing? What are the budget impacts in future biennia?

Load Restrictions: Funding for load rating analysis will be ongoing per the previously stated federal and state requirements. Development of the expanded overweight vehicle evaluation program is a one-time cost. Future biennia will require funding for the ongoing implementation of the overweight vehicle evaluation program, including the procedures developed in the 2011-13 biennium.

Inspection Program: Inspections are an on-going expense and will continue to be with adjustments to cost based on the inspections required in each biennium. Funding for the inspection program will continue in future biennia. The budgets for these activities will be developed using a zero-based approach for each budget cycle. With a more streamlined inspection process, a large number of dive inspections have been done in 2011-13 biennium. Consequently, there will not be as many dive inspection needed in the 2013-15 biennium.

Environmental Support: Funding for renewing programmatic permits, updating the Reference BA, research underwater noise impacts, coordinate with regulatory agencies and ESO, and environmental stewardship will continue in future biennium. Funding for renewing programmatic permits, updating the Reference BA, research underwater noise impacts, coordinate with regulatory agencies and ESO, and environmental stewardship will continue in future biennium.

Budget Activity Package: T-6 – TE Supervision, Office Support and Supplies
PIN:
WIN: M05489C

Recommendation Summary Text:

This decision package funds supervision and office support for WSF terminal construction office (organizations 362210) and the terminal design office (organization 362230) that accomplishes preliminary engineering, right-of-way acquisition and construction for the preservation and improvement of ferry terminals. The types of activities funded include executive management, supervision of project design and construction organizations, tribal relations, climate change study contribution, and administrative support.

Fiscal Detail:

T-6 - TE Supervision, Office Support & Supplies

Fiscal Detail			
Detail by Fund	FY 2014	FY 2015	Total
A90-Puget Sound Capital Construction - State	914,795	917,795	1,832,591
Total by Fund	914,795	917,795	1,832,591

Object of Expenditure:

T-6 - TE Supervision, Office Support & Supplies

Object of Expenditure Detail			
A - Salaries and Wages	609,004	609,004	1,218,008
B - Benefits	185,791	185,791	371,583
E - Goods and Services	116,000	119,000	235,000
G - Travel	2,000	2,000	4,000
T - Intraagency Reimbursements	2,000	2,000	
Total by Object	914,795	917,795	1,828,591

Salary and FTE Details:

T-6 - TE Supervision, Office Support & Supplies

Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
LIBRARY & ARCHIVAL PROFESSIONAL 2	1.00	1.00	1.00	50,568	50,568	101,136
Secretary	1.00	1.00	1.00	47,158	47,158	94,316
Staff Aide	1.00	1.00	1.00	51,894	51,894	103,788
TRANSPORTATION PLANNING SPECIALIST 5	1.00	1.00	1.00	84,984	84,984	169,968
WMS BAND 3	1.00	1.00	1.00	108,480	108,480	216,960
WMS BAND 3	1.00	1.00	1.00	108,480	108,480	216,960
WMS BAND 4	1.00	1.00	1.00	125,952	125,952	251,904
WMS BAND 4	0.25	0.25	0.25	31,488	31,488	62,976
Total Staff Dollars and FTEs	7.25	7.25	7.25	609,004	609,004	1,218,008

Package description:

TE Supervision, Office Support & Supplies (M05489C)

Object of Expenditure:

**T-6 - TE Supervision, Office Support & Supplies
TE Supervision, Office Support & Supplies (M05489C)**

Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	717,484	717,484	1,434,968
B - Benefits	215,351	215,351	430,702
E - Goods and Services	116,000	119,000	235,000
G - Travel	2,000	2,000	4,000
T - Intraagency Reimbursements	2,000	2,000	4,000
Total by Object	1,052,835	1,055,835	2,108,670

Salary and FTE Details:

**T-6 - TE Supervision, Office Support & Supplies
TE Supervision, Office Support & Supplies (M05489C)**

Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
LIBRARY & ARCHIVAL PROFESSIONAL 2	1.00	1.00	1.00	50,568	50,568	101,136
Secretary	1.00	1.00	1.00	47,158	47,158	94,316
Staff Aide	1.00	1.00	1.00	51,894	51,894	103,788
TRANSPORTATION PLANNING SPECIALIST 5	1.00	1.00	1.00	84,984	84,984	169,968
WMS BAND 3	1.00	1.00	1.00	108,480	108,480	216,960
WMS BAND 3	1.00	1.00	1.00	108,480	108,480	216,960
WMS BAND 4	1.00	1.00	1.00	125,952	125,952	251,904
WMS BAND 4	0.25	0.25	0.25	31,488	31,488	62,976
Total Staff Dollars and FTEs	7.25	7.25	7.25	609,004	609,004	1,218,008

Executive management and oversight is performed by the Deputy Assistant Secretary of Construction and Operations. One third of the Deputy Assistant Secretary of Construction and Operations' time is allocated to Terminal Engineering and includes the following activities:

- Provide leadership, strategic direction, visionary thinking and long-term planning to ensure secure and economical capital programs related to terminal operations, maintenance, preservation and new construction;
- Provide leadership and tactical direction to WSF employees and executive management to facilitate effective resolution of day-to-day operational issues;
- Manage available funds to successfully accomplish WSF's biennial programs within the legislatively authorized levels;
- Identify, create and assist in implementing operational cost-savings opportunities and strategic initiatives;
- Represent WSF to outside entities including the United States Coast Guard and the Legislature;
- Lead implementation of the vehicle reservation system; and
- Provide overall direction for the Ferries' Capital Preservation Program for terminals.

Executive management is performed by the Director of Terminal Engineering and includes:

- Developing strategic goals, objectives, strategies, performance measures and plans; operational policies, strategies and plans for delivering the terminal capital program;
- Integrating and coordinating goals, objectives strategies and plans of the capital and operating programs to effectively and efficiently accomplish WSF's mission;
- Developing and implementing innovative approaches and best practices, such as alternative construction methods, financial and business case analyses, quality control procedures, safety performance standards, department procedural standards, and emergency response protocols;
- Approving the organizational structure, establishing personnel policies, procedures and practices, appointing personnel to positions, and allocating staff and consultants to accomplish work plans,
- Developing strategies and policies for media, the Transportation Commission and the Legislature.
- Planning, organizing, directing, coordinating and controlling the development and delivery of terminal capital projects;
- Developing capital investment priorities and recommending selection of projects;
- Developing the capital budget request and approving expenditures for design, right-of-way acquisitions and construction at terminals;
- Serving as the lead SEPA authority, approving environmental documentation and plans for projects and related mitigation and cleanup;
- Developing strategies and conducting evaluations of complex engineering systems, shoreline impacts, contaminated sites, and other environmental conditions, as part of negotiations and settlement of legal disputes;
- Making policy and approving designs of buildings, docks, structures, toll facilities, security systems, machinery et al.; and
- Resolving bid protests, awarding construction contracts, and settling construction claims.

Supervision of terminal planning and design includes:

- Developing, recommending and implementing strategic program plans and biennial budget requests;
- Developing and implementing the detailed staff and consultant utilization plan for design of capital projects;
- Assigning and supervising project managers;
- Overseeing the development and approval of project scope, budget and schedule;
- Supervising preliminary engineering tasks relating to environmental compliance, permitting, designs, and plans, specifications and estimates;
- Directing environmental compliance, peer review of designs and quality and constructability assessments; and
- Reviewing stamped engineering drawings, specifications and reports.

Supervision of terminal construction includes:

- Developing and implementing policies and strategies for organizational structure and requirements for staff, consultant services and material resources to deliver terminal construction projects;
- Developing and implementing policies and plans relating to personnel actions and corrective/disciplinary actions;
- Leading the management team responsible for development and delivery of the capital preservation projects;
- Supervising project inspection offices and project support activities;

- Overseeing environmental and permitting compliance;
- Reviewing and approving change orders, construction claims and negotiations; and
- Coordinating and communicating terminal construction activities.

Tribal relations activities include:

- Developing tribal relations and negotiation strategies for capital projects;
- Providing coordination between tribal representatives, terminal project managers and various WSDOT, local, state and federal officials;
- Facilitating government-to-government and routine working meeting involving Tribes;
- Assisting in drafting agreements with Tribes; and
- Training WSF staff in tribal culture, strategies, and negotiating practices.

Office engineering activities include:

- Preparing work orders authorization requests to obtain spending authority for capital projects and set up cost collection centers;
- Monitoring capital project budgets; and
- Managing the engineering library, including cataloguing, storing and retrieving terminal drawings, environmental documentation, design reports, and special studies.

Administrative services include:

- Support to management: monitoring workload and budget resources; attending and recording minutes of meetings; preparing monthly management reports; facilitating the flow of documents requiring executive approval; maintaining policies and procedures manuals and the ferry route reference manual;
- Single Point of Contact: Providing a single point of contact with Human Resources, Training, Payroll, Information Technology, Budget, Accounting, Purchasing and Administrative Services;
- Consultant invoices: reviewing consultant invoices for proper formatting, drafting approval memos, and routing to project managers for approval;
- Communication services: maintaining staff seating charts and phone/e-mail lists; providing reception of and information to visitors and backup phone reception; arranging meetings and sending notices; forwarding and distributing mail and facsimiles; providing word processing services, including formal correspondence to federal, state and local officials and the public and draft documents from handwritten notes and oral instruction; coordinating printing services;
- Personnel and payroll services: coordinating with HR to update organization charts; maintaining organization and personnel files containing items such as, staff evaluations and position classification questionnaires; coordinating hiring of temporary help; assisting with new staff orientations, including obtaining login scripts, mainframe accounts, remote access accounts, telephone installations, computer equipment and business cards; processing requests for security badges; preparing the staff training schedule; reviewing staff time sheets; entering semi-monthly pay documents to mainframe;
- Travel services: making travel arrangements for staff; reviewing requests for travel reimbursements; submitting documentation to Accounting; dispatching motor pool vehicles and scheduling maintenance; and
- Procurement services: Ordering, receiving, storing and monitoring inventories of stores wants items and office and computer supplies using MPET; ordering special equipment, such as computers, ergonomic equipment, cell phones/PDAs, cubicle accessories, name plates, etc.;

coordinating building service requests; reviewing and approving monthly billings for both commercial and non-commercial charges; conducting inventories of minor capital equipment.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This activity package supports Terminal Engineering by providing the supervision, office support and supplies required to deliver projects on time and on budget.

Performance measure detail:

Performance Measures for T-6 – TE Supervision, Office Support and Supplies	FY 2012	FY 2013
Outcome Measures: <ul style="list-style-type: none"> Delivering project on time and on budget. 	Yes	Yes
Output Measures: <ul style="list-style-type: none"> Number of terminal preliminary engineering phase projects. (The number of projects are proposed and subject to change.) Number of terminal right-of-way phase projects. (The number of projects are proposed and subject to change.) Number of terminal construction phase projects. (The number of projects are proposed and subject to change.) Terminal preliminary engineering budget. Terminal right-of-way budget. Terminal construction budget. Number of terminal construction FTEs. 		71 1 43 \$15 M \$90 K \$52 M 90.94
Efficiency/Effectiveness Measures: <ul style="list-style-type: none"> Delivery planned scope of work for project support activities on time and on budget. Develop and manage program IAW RCWs 43.88 and 47.60. Spend IAW legislative appropriations and provisos. Properly account for expenditures by program, fund, proviso and fiscal period. 	Yes Yes Yes Yes	Yes Yes Yes Yes

Is this decision package essential to implement a strategy identified in the agency’s strategic plan? If so, please describe.

Goal: Preservation

- Terminal Engineering supervision, office support and supplies are necessary to support and facilitate terminal preservation and improvement projects.

Goal: Stewardship

- Funding the tribal relations activities ensures ongoing WSDOT awareness, particularly at the leadership team level, of key tribal interests affected by transportation programs and projects and how those interests can be factored into policy and project management decisions.

Does this decision package provide essential support to one of the Governor's priorities? If so, please describe.

This activity package improves statewide mobility of people, goods and services by supporting the delivery of projects on time and on budget (90 percent standard).

This activity package strengthens government's ability to achieve results efficiently and effectively by providing WSF Terminal Engineering employees the supervision, support and supplies they need to deliver projects.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process? If so, please describe.

This activity package supports Terminal Engineering improvement and preservation project implementation.

What are the other important connections or impacts related to this proposal?

None.

What alternatives were explored by the agency, and why was this alternative chosen?

This decision package complies with the requirements of ESHB 2358, Laws of 2007 by developing a support budget for supervision and support of Terminal Engineering and allocating the cost to projects. Alternative approaches, which were considered but rejected, are:

- WSF could revert to the previous cost allocation system that does not develop overhead budgets but simply collects support costs as they occur and allocates them to projects.
- Instead of allocating support costs to projects, WSF could allocate them to new subprograms.
- Support budgets could use the traditional operating budget methodology based on adjusting or adding new initiatives to a base carried forward from the prior fiscal period, instead of using a zero-base budget methodology.

What are the consequences of not funding this package?

Failure to fund this decision package will prevent WSF's ability to plan, organize, direct, coordinate and control terminal capital investments and provide organizational support for design and construction efforts.

What is the relationship, if any, to the capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure calculations and assumptions.

- FTEs and labor costs are based on specific positions that historically charged to the administrative overhead cost collection centers.
- Salaries are based on the Step L of the 2008 compensation schedule in which benefits are inflated to 2010 and 2011.
- Benefits are based upon the Washington State Department of Transportation Cost Distribution Rates for permanent employees at regular time.

- Non-labor expenses are based on projected expenditures in the 2009-11 biennium inflated to 2012 and 2013 dollars using the Implicit Price Deflator for Personal Consumption forecast adopted in February 2008, included 25 percent of the non-labor expenses for the Deputy Assistant Secretary of Construction & Operations.

Which costs and functions are one-time versus ongoing? What are the budget impacts in future biennia?

For the purpose of long-range financial planning in this budget development cycle, the proposed 2009-11 terminal supervision and office support budget is assumed to continue into future biennia with adjustments for inflation. However, it should be noted that WSF will prepare a new zero-based budget request in each succeeding budget development cycle that will replace the out-biennium placeholders established by the prior budget development cycle.

Budget Activity Package: T-7 – PMRS/Primavera Implementation
PIN: 998901H
WIN: M05490C

Recommendation Summary Text:

This budget activity package funds the continued operation of the Primavera project scheduling and management system and Project Management and Reporting System (PMRS) (M05490C) activity for the WSF Terminal Engineering subprogram.

Fiscal Detail:

T-7 - PMRS/Primavera Implementation

Fiscal Detail			
Detail by Fund	FY 2014	FY 2015	Total
A90-Puget Sound Capital Construction - State	155,500	155,500	311,000
Total by Fund	155,500	155,500	311,000

Object of Expenditure

T-7 - PMRS/Primavera Implementation

Object of Expenditure Detail			
Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	84,984	84,984	169,968
B - Benefits	25,784	25,784	51,568
E - Goods and Services	2,000	2,000	4,000
J - Capital Outlay	42,732	42,732	85,464

Salary and FTE Details:

T-7 - PMRS/Primavera Implementation

Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
TRANSPORTATION TECHNICAL ENGINEER 5	1.00	1.00	1.00	84,984	84,984	169,968
Total Staff Dollars and FTEs	1.00	1.00	1.00	84,984	84,984	169,968

WSDOT’s Statewide Program Management Group (SPMG) released its PMRS in Fiscal Year 2009 for WSF. WSF’s Terminal Engineering’s Project Controls and Reporting group is responsible for:

- Implementing and maintenance of PMRS and its related project management concepts, tools and software within Terminal Engineering. This includes Primavera P6, LiveLink and SharePoint ECM, Contract Manager and cost management hardware and software.
- Integrating SPMG business processes into Terminal Engineering’s current business environment.
- Continued support and administration of these tools; including active involvement for future enhancements and representing WSF at Technical Oversight and Steering committee levels.

Package description:

PMRS Reporting System Implementation (M05490C)

Object of Expenditure:

**T-7 - PMRS/Primavera Implementation
PMRS Reporting System Implementation (M05490C)**

Detail by Object of Expenditure	FY 2014	FY 2015	Total
A - Salaries and Wages	84,984	84,984	169,968
B - Benefits	25,784	25,784	51,568
E - Goods and Services	2,000	2,000	4,000
J - Capital Outlay	42,732	42,732	85,464
Total by Object	155,500	155,500	311,000

Salary and FTE Details:

**T-7 - PMRS/Primavera Implementation
PMRS Reporting System Implementation (M05490C)**

Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
TRANSPORTATION TECHNICAL ENGINEER 5	1.00	1.00	1.00	84,984	84,984	169,968
Total Staff Dollars and FTEs	1.00	1.00	1.00	84,984	84,984	169,968

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

WSDOT has refined its project management process for delivering its Capital Projects. This process includes “best practices”, tools, templates and examples that will enhance the communication process for both design and construction project management. This process is endorsed by Secretary’s Executive Order 1032.01 and 1042.00. Under the Secretary’s order WSDOT employees are directed to use PMRS as the agency wide project management tools supporting Capital Transportation Project Delivery. The desired outcome is to have project information that is current, easily accessible, transparent, consistent, accurate, and facilitates improved forecasting capabilities, proactive problem resolution, and improved communication.

Having the forecasting, consistent and accurate reporting will reduce last minute and undesirable surprises that would impact project budget and timelines, which translate to credibility of our agency. In addition, the PMRS enterprise system integrates schedule, contract management, electronic content management, cost control/ earned value, and cost estimating with existing WSDOT legacy systems to better support management and delivery of capital projects, by streamlining and providing a consistent statewide progress reporting from a single data source that reduces effort required by the region, and by electronically linking financial and project management systems to better streamline data handling and transfer, and to further streamline reporting and analysis across the state. Over time, the outputs will become standard across the agency and consistent information could be provided for department executives and elected officials and decision-makers.

Consistent and accurate reporting and measurement of our projects will improve agency credibility and will assist with making effective and efficient business decisions based on improved management of project scope, schedule and cost.

Performance measure detail:

Performance Measures for T-7 – Terminal Primavera Project Management:	FY 2012	FY 2013
<p>Outcome Measures:</p> <ul style="list-style-type: none"> • POG Result Area – Strengthen government's ability to achieve results efficiently and effectively. <ul style="list-style-type: none"> • Develop and manage budgeting, accounting and reporting of capital subprogram W1, per RCW 43.88. • Assist executives and project managers in accessing accurate, real-time information about PINs, WINs and work orders. 	Yes	Yes
<p>Output Measures:</p> <ul style="list-style-type: none"> • Report Terminal Engineering’s budget and performance execution, through the development of Quarterly Project Reviews, Confidence Reports and other such tools. • Respond to legislative and executive queries on Terminal Engineering project delivery and program planning. 	Yes	Yes
<p>Efficiency/Effectiveness Measures:</p> <ul style="list-style-type: none"> • Meet deadlines for submittal of requirements to policy makers. 	Yes	Yes

Is this decision package essential to implement a strategy identified in the agency’s strategic plan? If so, please describe.

Goal: Preservation

1. This activity package is necessary to support all preservation and improvement projects in WSF capital program, allowing WSF to meet the goals of successfully managing safety, preservation, mobility, environment projects.

Goal: Stewardship

1. The project controls group and the associated efforts supports WSF’s strategy to employ state-of-the-art project management, by assisting in scope, schedule and budget development and management.

Does this decision package provide essential support to one of the Governor’s priorities? If so, please describe.

The activity funded by this decision package also strengthen government's ability to achieve results efficiently and effectively by developing and managing budgeting, accounting and reporting of capital subprogram W1, per RCW 43.88. In addition, it funds the staff necessary to assist executives and project managers in accessing accurate, real-time information about PINs, WINs and work orders.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process? If so, please describe.

This activity package improves statewide mobility of people, goods and services by supporting the delivery of projects on time and on budget (90 percent standard).

The activity funded by this decision package supports WSF's Terminal Engineering Department in the implementation of improvement and preservation projects that improve and maintain the State's marine transportation system, which serve statewide travel and are considered by the legislature to be of statewide significance.

What are the other important connections or impacts related to this proposal?

None.

What alternatives were explored by the agency, and why was this alternative chosen?

WSF's Terminal Engineering Department was directed under the Executive Order E1032.01 Project Management dated July 1, 2008 to use the PMRS Primavera, as the agency wide project management and reporting tools supporting Capital Transportation Project delivery. The PMRS replaces the Project Delivery Information System (PDIS).

What are the consequences of not funding this package?

Failure to fund this decision package will jeopardize the ability of WSF's Terminal Engineering Department to manage the capital program.

What is the relationship, if any, to the capital budget?

The PMRS provides WSF's Terminal Engineering managers with current business practices and tools to assist with making effective and efficient budgetary decisions based on improved management of project scope, schedule, and cost of capital program.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure calculations and assumptions.

- FTEs and labor costs are based on typical positions anticipated to charge to indirect project support cost collection centers.
- Salaries are based on the Step L of the 2008 compensation schedule in which benefits are inflated to 2014 and 2015.
- Benefits are based upon the Washington State Department of Transportation Cost Distribution Rates for permanent employees at regular time.

Which costs and functions are one-time versus ongoing? What are the budget impacts in future biennia?

Funding for the Terminal Engineering Department's Primavera Project Management package is expected to continue in future biennia.

Primavera Project Management package will be developed using a zero-based budget approach for each budget cycle.

2013-15 Transportation Budget Decision Package

Agency:	405 Department of Transportation
Decision Package Code/Title:	V – Vessel Project Support Package
Budget Period:	2013-15
Budget Level:	Zero-based

Program:	W-WSF Construction
Sub-Program:	W2 Vessel Construction

Recommendation Summary Text:

This is the zero-based budget request for decision package V – Vessel Project Support provided by the Vessel Maintenance, Preservation and Engineering Organization to the WSF Capital Construction Program (W) -- Vessel Capital Construction Sub-Program (W2). It funds the following activities in the 2013-15 Biennium:

- V-1 Vessel Preservation and Engineering Management, Supervision and Support
- V-2 Vessel Life Cycle Cost Model (LCCM) Update and Maintenance
- V-3 Vessel Environmental Technical Support
- V-4 Vessel Planning / Design
- V-5 Vessel Noise Control Abatement
- V-6 Vessel Technical Support Activities

Consolidated Fiscal Detail:

Below is the consolidated fiscal detail and FTE detail for the budget activity packages included in V – Vessel Project Support for the WSF Capital Construction Program. Ferries Division will prepare a new zero-based budget request in each succeeding budget development cycle that will replace the out-biennium placeholders established by the 12LEGFIN budget. Details of individual budget activity packages follow.

Fiscal Detail:

Detail by Fund	FY 2014	FY 2015	2013-2015	2015-2017	2017-2019
A90 PSCC-State	1,913,000	1,913,000	3,826,000	3,721,000	3,847,000
Total by Fund	1,913,000	1,913,000	3,826,000	3,721,000	3,847,000
	FY 2014	FY 2015	2013-2015	2015-2017	2017-2019
Staffing FTEs	13.28	13.28	13.28	TBD	TBD

V - Vessel Project Support for WSF Capital Construction Object of Expenditure Detail			
Object of Expenditure	FY 2014	FY 2015	2013-2015
A - Salaries and Wages	1,110,708	1,110,708	2,221,416
B - Benefits	340,667	340,667	681,334
C - Personal Service Contracts	-	-	-
E - Goods and Services	461,625	461,625	923,250
G - Travel	-	-	-
J - Capital Outlay	-	-	-
T - Intraagency Reimbursements	-	-	-
Total by Object	1,913,000	1,913,000	3,826,000

V- Vessel Project Support for WSF Capital Construction Salary and FTE Detail						
Budget Activity Packages	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
V-1 - VE Management, Supervision & Support	10.25	10.25	10.25	840,000	840,000	1,680,000
V-2 - Vessel LCCM Update	1.00	1.00	1.00	81,000	81,000	162,000
V-3 - Vessel Environmental	1.00	1.00	1.00	94,000	94,000	188,000
V-4 - Vessel Planning/Design	-	-	-	-	-	-
V-5 - Vessel Noise Control Abatement	0.15	0.15	0.15	14,000	14,000	28,000
V-6 - Vessel Technical Support Activities	0.88	0.88	0.88	81,708	81,708	163,416
Total	13.28	13.28	13.28	1,110,708	1,110,708	2,221,416

Budget Activity Package: V-1 – Vessel Preservation and Engineering Management, Supervision and Support

Recommendation Summary Text:

This activity funds the supervision and support for the preservation and engineering elements of the Vessel Maintenance, Preservation & Engineering (VMPE) Organization at Ferries Division. It funds all or portions of the salaries of personnel who are essential to the on-going preservation and improvement of ferry vessels. These core individuals oversee, coordinate, lead and manage all elements of the vessel capital program regardless of specific vessel capital projects and are thus funded in the project support budget rather than by individual projects.

This activity funds supervision, project support and office support for the vessel construction / preservation office (organizations 362150 / 362151) and the vessel design office (organization 362140) that accomplish preliminary engineering and construction for the preservation of existing ferries and the acquisition of new ferries. The types of activities funded include executive management, supervision of project design and construction organizations, office engineering support and administrative support.

These core personnel include the following:

- Deputy Chief of Construction and Operations (0.25 FTE)
- Senior Preservation Port Engineer
- Chief Naval Architect
- Vessel Construction Manager
- Vessel Business Supervisor
- Vessel Life Cycle Cost Model Analyst
- Vessel Capital Budget Specialist
- Vessel Work Order Specialist
- Vessel Project Administrator
- Vessel Technical Librarian
- Staff Aide

Executive management is performed by the Deputy Chief of Construction and Operations and the Senior Preservation Port Engineer and includes:

- Developing strategic goals, objectives, strategies, performance measures and plans; operational policies, strategies and plans for delivering the vessel capital program;
- Integrating and coordinating goals, objectives strategies and plans of the capital and operating programs to effectively and efficiently accomplish Ferries Division's mission;
- Developing and implementing innovative approaches and best practices, such as, alternative construction methods, financial and business case analyses, quality control procedures, department procedural standards, and emergency response protocols;
- Approving the organizational structure, establishing personnel policies, procedures and practices, appointing personnel to positions, and allocating staff and consultants to accomplish work plans;
- Developing strategies and policies for the media, the Transportation Commission and the Legislature;
- Planning, organizing, directing, coordinating and controlling the development and delivery of vessel capital projects;
- Developing capital investment priorities and recommending selection of projects;

- Developing the capital budget request and approving expenditures for design and construction;
- Making policy and approving designs for preservation of existing vessels and construction of new vessels;
- Resolving bid protests, awarding construction contracts, and settling construction claims.

Supervision of the vessel planning and design office is performed by the Chief Naval Architect and includes:

- Developing and implementing policies and strategies for organizational structure and requirements for staff and material resources to deliver vessel planning and design capital projects;
- Supervising preliminary engineering tasks relating to environmental compliance, permitting, designs, plans, and estimates;
- Directing peer review of designs and quality and constructability assessments, and “PE stamping” engineering drawings, specifications and reports;
- Developing staffing requirements, organization charts, position descriptions, hiring procedures and conducting recruiting, interviewing and hiring activities for the vessel planning and design office consisting of marine engineers and marine designers.
- Managing the engineering library, including cataloguing, storing and retrieving vessel drawings, environmental documentation, design reports, special studies, etc.

Supervision of the vessel construction office is performed by the Vessel Construction Manager and includes:

- Developing and implementing policies and strategies for organizational structure and requirements for staff and material resources to deliver vessel construction projects;
- Developing and implementing policies and plans relating to personnel actions and corrective/disciplinary actions;
- Leading the team responsible for development and delivery of capital construction projects;
- Supervising project inspection offices and construction project support activities;
- Overseeing environmental and permitting compliance;
- Reviewing and approving change orders, construction claims and negotiations;
- Coordinating and communicating vessel construction activities;
- Providing technical assistance to project managers relating to the preparation of emergency contracts, change orders, estimates, materials certification, final records and other contract administration duties;
- Preparing organizational plans to deliver the vessel construction work program;

Supervision of the vessel maintenance, preservation and engineering budgets is performed by the Vessel Business Staff Supervisor and includes:

- Development, recommendation, implementation and execution of strategic plans and biennial budgets for the vessel capital and operating programs;
- Coordinate collection of information in response to inquiries from, and communicate to, external financial, programmatic and administrative inquiries including WSDOT, OFM, and Legislature
- Supervise tracking and reporting of VMPE capital expenditures; maintenance and updating of VMPE cost allocation system; assembly, maintenance and updating of vessel budget items in the capital financial systems including Transportation Executive Information System (TEIS) and the

Capital Planning System (:CPS); development and updating of budget decision packages and white papers for all VMPE budget areas.

- Coordinate collection, evaluation and reporting of financial information for VMPE performance reports including confidence and quarterly reports and financial reporting for any future project management reporting systems.
- Administering change management processes;
- Liaison with Capital Program Development for capital budget matters including development and modification of biennium budgets and budget development procedures.

Administrative services by the Staff Aide include:

- Support to management: monitoring workload and budget resources; attending and recording minutes of meetings; preparing monthly management reports; facilitating the flow of documents requiring executive approval; maintaining policies and procedures manuals;
- Single Point of Contact: Providing a single point of contact with Human Resources, Training, Payroll, Information Technology, Budget, Accounting, Purchasing and Administrative Services;
- Communication services: maintaining staff seating charts and phone/e-mail lists; providing reception of and information to visitors and backup phone reception; arranging meetings and sending notices; forwarding and distributing mail and facsimiles; providing word processing services, including formal correspondence to federal, state and local officials and the public and draft documents from handwritten notes and oral instruction; coordinating printing services;
- Personnel and payroll services: coordinating with HR to update organization charts; maintaining organization and personnel files containing items such as, staff evaluations and position classification questionnaires; coordinating hiring of temporary help; assisting with new staff orientations, including obtaining login scripts, mainframe accounts, remote access accounts, telephone installations, computer equipment and business cards; processing requests for security badges; preparing the staff training schedule; reviewing staff time sheets; entering semi-monthly pay documents into the mainframe;
- Travel services: making travel arrangements for staff; reviewing requests for travel reimbursements; submitting travel documentation to Accounting; dispatching motor pool vehicles and scheduling maintenance;
- Procurement services: Ordering, receiving, storing and monitoring inventories of stores wants items and office and computer supplies using MPET; ordering special equipment, such as computers, ergonomic equipment, cell phones/PDAs, cubicle accessories, name plates, etc.; coordinating building service requests; reviewing and approving monthly billings for both commercial and non-commercial charges; conducting inventories of minor capital equipment.

Fiscal Detail:

Detail by Fund	FY 2014	FY 2015	2013-2015	2015-2017	2017-2019
A90 PSCC-State	1,099,000	1,099,000	2,198,000	TBD	TBD
Total by Fund	1,099,000	1,099,000	2,198,000	TBD	TBD
	FY 2014	FY 2015	2013-2015	2015-2017	2017-2019
Staffing FTEs	10.25	10.25	10.25	TBD	TBD

**V-1 - Vessel Preservation & Engineering Management, Supervision
& Support
Object of Expenditure Detail**

Object of Expenditure	FY 2014	FY 2015	2013-2015
A - Salaries and Wages	840,000	840,000	1,680,000
B - Benefits	259,000	259,000	518,000
C - Personal Service Contracts	-	-	-
E - Goods and Services	-	-	-
G - Travel	-	-	-
J - Capital Outlay	-	-	-
T - Interagency Reimbursement	-	-	-
Total by Object	1,099,000	1,099,000	2,198,000

**V-1 - Vessel Preservation & Engineering Management, Supervision
& Support
Salary and FTE Detail**

List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
Deputy Chief of Const & Ops, WMS	0.25	0.25	0.25	32,000	32,000	64,000
Sr. Pres. Port Engr, EMS 4	1.00	1.00	1.00	101,000	101,000	202,000
Chief Naval Arch, WMS 3	1.00	1.00	1.00	118,000	118,000	236,000
Vsl Construction Mgr, WMS 3	1.00	1.00	1.00	100,000	100,000	200,000
Vsl Business Supv, 533G	1.00	1.00	1.00	96,000	96,000	192,000
Vsl LCCM Analyst 539V	1.00	1.00	1.00	77,000	77,000	154,000
Vsl Cap Budget Spec, 543H	1.00	1.00	1.00	77,000	77,000	154,000
Vsl Work Order Spec, 530L	1.00	1.00	1.00	63,000	63,000	126,000
Vsl Proj Admin, 530L	1.00	1.00	1.00	63,000	63,000	126,000
Tech Librarian, 261C	1.00	1.00	1.00	58,000	58,000	116,000
Staff Aide, M0226	1.00	1.00	1.00	55,000	55,000	110,000
Total	10.25	10.25	10.25	840,000	840,000	1,680,000

Narrative Justification and Impact Statement

Performance measure detail:

Performance Measures for V-1 – Vessel Preservation and Engineering Management, Supervision and Support:	FY 2014	FY 2015
<p>Outcome Measure: POG Result Area—Improve statewide mobility of people, goods and services</p> <ul style="list-style-type: none"> Deliver projects on time and on budget (90% standard) 	Yes	Yes
<p>Output Measures (Biennial-Fiscal Years Not Available)</p> <ul style="list-style-type: none"> Number of vessel preliminary engineering phase projects Number of vessel construction phase projects Vessel preliminary engineering budget Vessel construction budget <p>Number of vessel design organization FTEs; Number of vessel construction organization FTEs</p>	<p>37</p> <p>37</p> <p>\$2,678,500</p> <p>\$46,886,000</p> <p>39</p>	<p>37</p> <p>37</p> <p>\$2,678,500</p> <p>\$46,886,000</p> <p>39</p>
<p>Efficiency/Effectiveness Measures POG Result Area--Improve the Ability of State Government to Achieve Results Efficiently and Effectively</p> <ul style="list-style-type: none"> Delivery planned scope of work for project support activities on time and on budget Develop and manage program IAW RCWs 43.88 and 47.60 Spend IAW legislative appropriations and provisos Properly account for expenditures by program, fund, proviso and fiscal period 	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>

Is this decision package essential to implement a strategy identified in the agency’s strategic plan? If so, please describe.

The projects discussed herein support the following WSDOT Strategic Goals:

- Objective 2.4 Ferry Vessel Maintenance and Preservation
- Objective 5.1 Capital Project Management and Delivery
- Objective 5.4 Accountability and Communication
- Objective 5.7 Planning and Prioritization

Does this decision package provide essential support to one of the Governor’s priorities? If so, please describe.

- WSDOT Ferry Preservation – Vessels
- WSDOT Ferry Operations – Vessels
- WSDOT Transportation Management and Support

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process? If so, please describe.

This package supports the state-wide result of good stewardship by planning, overseeing and executing the ferry vessel preservation and improvement program.

What are the other important connections or impacts related to this proposal?

Impact on agency clients and services:

This package ensures that ferry customers travel on safe and reliable vessels and that growth in ferry customer travel demand is met subject to budget constraints.

Impact on other state programs or units of government:

None

Other:

None

What alternatives were explored by the agency, and why was this alternative chosen?

This activity complies with the requirements of ESHB 2358, Laws of 2007 by developing a support budget for supervision and support of the vessel preservation and engineering division and allocating the cost to projects.

Alternative approaches are:

- Ferries Division could revert to the prior cost allocation system which did not develop overhead budgets but simply collected support costs as they occurred and allocated them to projects.
- Instead of allocating support costs to projects, Ferries Division could allocate them to new subprograms.
- Support budgets could use the traditional operating budget methodology based on adjusting or adding new initiatives to a base carried forward from the prior fiscal period, instead of using a zero-base budget methodology.

What are the consequences of not funding this package?

Failure to fund this activity will jeopardize Ferries Division's ability to plan, organize, direct, coordinate, and control the Vessel Preservation and Improvement Program. Vessels will fall into disrepair and will not be able to meet regulatory requirements for regular drydockings resulting in loss of U.S. Coast Guard (USCG) certification which would result in the shutdown of the vessel prior to realizing the vessels expected full service life. This would then require earlier replacement than scheduled.

Vessels are a continuation of the Washington State highway system. Some island routes have no other means for delivery of goods and services.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None

Expenditure calculations and assumptions.

- FTEs: 0.25
 - Fiscal Detail table and narrative above displays FTE detail
- Labor costs: Wages: \$1,680,000 Benefits: \$518,000 Total: \$2,198,000
- Non-labor expenses. None

Which costs and functions are one-time versus ongoing? What are the budget impacts in future biennia?

Budget impacts in future biennia:

On-going funding. For the purpose of long-range financial planning in this budget development cycle, the proposed 2013-2015 vessel supervision and office support budget is assumed to continue into future biennia with adjustments for inflation. However, it should be noted that Ferries Division will prepare a new zero-based budget request in each succeeding budget development cycle that will replace the out-biennium placeholders established by the prior budget development cycle.

Distinction between one-time and on-going functions and costs:

All functions and costs are on-going.

Changes from the previous Biennium:

This zero-based budget request for the 2013-2015 Biennium differs by the elimination of the Vessel Scheduler/PMRS Coordinator (530L) position as directed in the 11LEGFIN Budget. Added to V-1 is one Vessel Life Cycle Cost Model Analyst (539V) position which is defined in V-2. Labor costs for this position were included in the 2011-2013 Biennium in V-2.

Budget Activity Package: V-2 – Vessel Life Cycle Cost Model (LCCM) Update and Maintenance

Recommendation Summary Text:

This activity funds the Vessel Life Cycle Cost Model (LCCM) which is a legislative mandate for determination of all vessel preservation work performed during a biennium. The Vessel LCCM Update promotes efficient and effective program delivery by updating and expanding the Vessel LCCM that Ferries Division uses to allocate funding for preservation of the fleet and to measure progress toward legislative preservation performance objectives.

The Vessel LCCM Update promotes efficient and effective program delivery by updating and expanding the Vessel LCCM. The legislature, in the course of passing ESHB 2358 in conjunction with developing the 2007-09 budget, mandated that the Ferries Division use the Vessel LCCM as the primary resource management tool for allocating funding for preservation of the fleet and for measuring progress toward legislative preservation performance objectives. Ferries Division is required to continually update the model's database of vessel information in order to ensure that this resource management tool effectively and efficiently directs preservation investments. Effective and efficient preservation investments in the fleet are critical to providing reliable ferry service.

The Vessel LCCM provides over 2,200 work category definitions, life cycle intervals between work periods for each work category and cost factors for each work category. All preservation needs and biennium preservation budgets are determined by the Vessel LCCM. Therefore it is necessary that the Vessel LCCM be reviewed on a continuing basis to document date of last work on applicable inventory items, to refine intervals based on historical data and conditions found, to update cost factors and to redefine inventory items as vessel equipment is replaced and upgraded and/or as experience indicates better level of detail.

The Vessel LCCM performs the following functions in the capital planning process:

- Inventory of systems that comprise each vessel in the fleet,
- Projection of vessel preservation needs,
- Display of vessel preservation project scope, cost and schedule in terms of Vessel LCCM inventory items,
- Progress reporting for OFM's preservation & deferred preservation backlog reduction plan,
- Classification of projects by OFM activities,
- Classification of projects as preservation,
- Classification of Vessel LCCM inventory items according to OFM's project priority structure,
- Roll up of investments in terms of the Governor's Priorities of Government strategies and result areas,
- Measurement of preservation performance against output and outcome objectives.

The quality of management information produced by the Vessel LCCM is dependent upon an accurate and complete inventory database. This is accomplished, in part, by

- Updating information about each inventory item (such as "last done" date, life cycle interval, cost factor, etc.),
- Revising the definition of an inventory item resulting in the item being split into multiple items or combining items into a single new item,
- Deleting an existing item and adding new items.

ESHB 2358, Laws of 2007 provides specific direction about the characteristics of the Vessel LCCM.

- The Vessel LCCM is used in developing preservation funding requests,
- It uses available industry standards or department-adopted standards when standard life cycles are not available,
- It is updated when inspections are made to reflect asset condition,
- It does not include systems that aren't replaced on a standard life cycle or that are not yet built,
- Inventory data is updated at least every three years.

The Vessel Life Cycle Cost Model program is being expanded to incorporate Vessel Asset Management. The first phase of Vessel Asset Management was accomplished in the 2011-2013 Biennium with published condition ratings. The next phase will be to incorporate more asset management principles which include weighted scores for each asset.

This activity provides for two FTEs; one Vessel Life Cycle Cost Model Analyst (539V) and the equivalent of one Inspector Specialist (533E). The LCCM Analyst's salary is included in V-1. The Inspector Specialist is included below.

Consultant support will be used for continued development of the Vessel Asset Management program (Object Code E – Goods & Services).

Fiscal Detail:

Detail by Fund	FY 2014	FY 2015	2013-2015	2015-2017	2017-2019
A90 PSCC-State	120,625	120,625	241,250	TBD	TBD
Total by Fund	120,625	120,625	241,250	TBD	TBD
	FY 2014	FY 2015	2013-2015	2015-2017	2017-2019
Staffing FTEs	1.00	1.00	1.00	TBD	TBD

V-2 - Vessel LCCM Update and Maintenance Object of Expenditure Detail			
Object of Expenditure	FY 2014	FY 2015	2013-2015
A - Salaries and Wages	81,000	81,000	162,000
B - Benefits	26,000	26,000	52,000
C - Personal Service Contracts	-	-	-
E - Goods and Services	13,625	13,625	27,250
G - Travel	-	-	-
J - Capital Outlay	-	-	-
T - Interagency Reimbursement	-	-	-
Total by Object	120,625	120,625	241,250

**V-2 - Vessel LCCM Update and Maintenance
Salary and FTE Detail**

List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
Inspector Specialist, 533E	1.00	1.00	1.00	81,000	81,000	162,000
Total	1.00	1.00	1.00	81,000	81,000	162,000

Narrative Justification and Impact Statement

Performance measure detail:

Performance Measures for V-2 – Vessel LCCM Update and Maintenance	FY 2014	FY 2015
<p>Outcome Measure: Improve the ability of State Government to Achieve Results Efficiently and Effectively.</p> <ul style="list-style-type: none"> Develop and manage program IAW RCWs 43.88 and 47.6 Ensure timely assessment of needs to plan funding for capital and fiscal period Spend IAW legislative appropriations and provisos Properly account for expenditures by program, fund , proviso and fiscal period 	Yes Yes Yes Yes	Yes Yes Yes Yes
<p>Output Measures:</p> <ul style="list-style-type: none"> Review Cost Factors Review and refine Inventory Item Descriptions Review and Update Intervals Inspect Assets 	750 500 750 700	750 500 750 700

Is this decision package essential to implement a strategy identified in the agency's strategic plan? If so, please describe.

The projects discussed herein support the following WSDOT Strategic Goals:

Objective 2.4	Ferry Vessel Maintenance and Preservation
Objective 5.1	Capital Project Management and Delivery
Objective 5.2	Information Technology & Decision Support Systems
Objective 5.4	Accountability and Communication
Objective 5.7	Planning and Prioritization

Does this decision package provide essential support to one of the Governor's priorities? If so, please describe.

WSDOT Ferry Preservation – Vessels
WSDOT Ferry Operations – Vessels
WSDOT Transportation Management and Support

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process? If so, please describe.

This activity promotes good stewardship by planning and executing the ferry vessel preservation program in an efficient and effective manner.

What are the other important connections or impacts related to this proposal?

By achieving performance measures as discussed above, Ferries Division will be better able to provide reliable ferry service to the riding public.

What alternatives were explored by the agency, and why was this alternative chosen?

In as much as this is a legislatively mandated program, there is no current alternative to development of vessel preservation needs and budget requirements.

What are the consequences of not funding this package?

Non-funding of the Vessel LCCM Update will result in not obtaining and maintaining an up-to-date viable management tool for determination of preservation work and budget requirements, and inability to meet preservation performance objectives expressed in terms of PNP (Preservation Needs Percent) requirements for Category 1 and Category 2 systems. Without funding, meeting the requirements of ESHB 2358, which requires the budget be based on the LCCM, would not be possible.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None. As discussed above, ESHB 2358, Laws of 2007 provides specific direction about the characteristics of the LCCM and the requirement that the LCCM be used in developing preservation funding requests.

Expenditure calculations and assumptions.

- LCCM Update & Maintenance
 - FTEs: 1.0
 - One Vessel LCCM Analyst (539V) full time supported by Vessel Inspector Specialists totaling one FTE (533E).
 - Labor costs for the Vessel LCCM Analyst are included in V-1. Labor costs for the equivalent of one Vessel Inspector Specialist are included here.
 - Labor costs: Wages: \$162,000 Benefits: \$52,000 Total: \$214,000
 - Non-labor expenses: None
- Asset Management Development
 - FTEs: None
 - Labor costs: None
 - Non-labor expenses: \$27,250
 - Estimated need for consultant support for continued development of the Asset Management program (Object Code E – Goods & Services).

Which costs and functions are one-time versus ongoing? What are the budget impacts in future biennia?**Distinction between one-time and on-going functions and costs:**

All of the costs are for on-going functions

Budget impacts in future biennia:

Updating of the Vessel LCCM is a continuing program and the effort required in future biennia to maintain the Vessel LCCM as a viable effort will essentially be the same as requested for the 2013-2015 biennium.

Changes from the previous Biennium:

The 2011-2013 biennial budget assumed the dedicated LCCM Specialist would be the equivalent of a Transportation Planning Specialist 2 (543F) with the equivalent of one Inspector Specialist (533E). This 2013-2015 budget submission more accurately assumes the efforts of the dedicated LCCM Specialist to be a Vessel LCCM Analyst (539V) with the equivalent of one Inspector Specialist (533E). The Labor cost for the Vessel LCCM Analyst is included in V-1. V-2 includes the Labor costs for the Inspector Specialist equivalent.

Added to the LCCM program is the continued development of the Vessel Asset Management process which began in the 2011-13 Biennium.

Budget Activity Package:**V - 3 Vessel Environmental Technical Support****Recommendation Summary Text:**

This activity provides minimal funding for Vessel Technical Support for Environmental Issues, focused primarily on ferry fuel consumption reduction. It promotes governmental efficiency and effectiveness through technical support and studies focused primarily on ensuring that vessels meet current and emerging emissions requirements. It also ensures that a focus is maintained on seeking technical approaches to reduce ferry fuel consumption; doing so results in Ferries Division cost savings or avoidance and reduction of unfavorable impacts on the quality of life in the region. This technical effort evaluates both technological enhancements and better operating practices for the means to mitigate adverse financial and environmental impacts of fuel consumption.

This activity enables continuing full time focus by one Marine Mechanical Engineer on investigating opportunities for fuel consumption and emissions reduction including coordinating monthly fuel conservation meetings, reviewing fleet fuel consumption reports, and studying alternatives for reducing fuel consumption and/or reducing vessel emissions.

Fiscal Detail:

Detail by Fund	FY 2014	FY 2015	2013-2015	2015-2017	2017-2019
A90 PSCC - State	122,000	122,000	244,000	TBD	TBD
Total by Fund	122,000	122,000	244,000	TBD	TBD
	FY 2014	FY 2015	2013-2015	2015-2017	2017-2019
Staffing FTEs	1.0	1.0	1.0	TBD	TBD

V-3 - Vessel Environmental Technical Support Object of Expenditure Detail			
Object of Expenditure	FY 2014	FY 2015	2013-2015
A - Salaries and Wages	94,000	94,000	188,000
B - Benefits	28,000	28,000	56,000
C - Personal Service Contracts	-	-	-
E - Goods and Services	-	-	-
G - Travel	-	-	-
J - Capital Outlay	-	-	-
T - Interagency Reimbursement	-	-	-
Total by Object	122,000	122,000	244,000

V-3 - Vessel Environmental Technical Support Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
Marine Mechanical Engineer	1.0	1.0	1.0	94,000	94,000	188,000
Total	1.0	1.0	1.0	94,000	94,000	188,000

Narrative Justification and Impact Statement

Performance measure detail:

Performance Measures for V-3 – Vessel Environmental Technical Support	FY 2014	FY 2015
Outcome Measures: <ul style="list-style-type: none"> Reduction in Fuel Consumption 	Yes	Yes
Output Measures: <ul style="list-style-type: none"> Improved Reporting to EPA on Emissions Levels 	Yes	Yes
Efficiency/Effectiveness Measures: <ul style="list-style-type: none"> A major reduction in reported power levels of our fleet from 75% to 37% 	Yes	Yes

Is this decision package essential to implement a strategy identified in the agency’s strategic plan? If so, please describe.

The project discussed herein supports the following WSDOT Strategic Goals:
Objective 4.5 Ferries Environmental Management.

Does this decision package provide essential support to one of the Governor’s priorities? If so, please describe.

WSDOT Ferry Operations – Vessels
WSDOT Ferry Improvements - Vessels

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process? If so, please describe.

Maintain focus on reducing fuel consumption and air emissions.

What are the other important connections or impacts related to this proposal?

Impact on agency clients and services:

Impact on agency clients and services:

No impacts on clients or services.

Impact on other state programs or units of government:

Reduces fuel costs of the Ferries Division operation program.

Other:

Improves the quality of the environment for Puget Sound residents.

What alternatives were explored by the agency, and why was this alternative chosen?

Only other option for the projects identified herein is to completely contract out for any of these efforts which will cost more based on standard expenses incurred to date when using support contractors for

similar efforts at current state of the market rates. Additionally, it will be harder to integrate such efforts with current fleet operating methodologies and standards. Ability to respond in a timely fashion to emergent needs may also be compromised if efforts have to be coordinated first through the contractual process.

What are the consequences of not funding this package?

No one will focus on addressing fuel consumption issues within the ferry fleet and furthermore, the Ferries Division may not be able to meet newly enacted and/or emerging Clean Air Act requirements. In order to maintain a continued strategic focus on fuel/air emissions reduction, it is essential that the division funds a technically qualified individual to address fleet issues. Otherwise, fuel consumption reduction and emissions reduction are additional collateral jobs for a number of people with no real driver for direction and accomplishment. Furthermore, the Ferries Division has learned that there is a need to maintain a technical capability to focus on development of applications for the abundance of emerging grant opportunities. These are expected to continue as the governmental (federal, state and local) focus on “green” programs continues to grow.

What is the relationship, if any, to the capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure calculations and assumptions.

- FTEs: 1.0
 - Assumes one Marine Mechanical Engineer working full time
- Labor costs: Wages: \$188,000 Benefits: \$56,000 Total: \$244,000
- Non-labor expenses: None

Which costs and functions are one-time versus ongoing? What are the budget impacts in future biennia?

Distinction between one-time and on-going functions and costs:

All of the costs are for on-going functions.

Budget impacts in future biennia:

Continued funding as an on-going initiative into the foreseeable future

Changes from the previous Biennium:

There are no changes from the prior biennium.

Recommendation Summary Text:

This activity funds the Ferries Division's Vessel Planning / Design Department (Vessel Design) which promotes efficient and effective vessel design and construction through investigating, studying and developing processes and methods for improving design, engineering and shipboard applications. This also enables timely response by Vessel Design to emergent ferry issues.

This program provides tools and studies that assist in maintaining or enhancing Vessel Design's capability for supporting the ferry fleet and includes the following:

- **Design Tools**

Provides for essential design tools used by the Vessel Design staff to support preservation and improvement of the vessel fleet. These include:

- **AutoCAD:** The maintenance, upkeep, training and continued support of the AutoCAD drawing development software system including licenses, training and standards that are essential to development of the technical drawings that are critical elements of vessel preservation contracts.
- **PipeFlow:** Piping system design and analysis software tool.
- **Rhino 3D:** Three dimensional graphical interface used for developing designs of revised systems/arrangements. Essential tool for exploring alternative concepts during the Design Phase of project execution.
- **Algor Finite Element Analysis:** Software tool that enables analysis of structural loads in complex structures.
- **Data Acquisition System:** Develops a more pro-active approach to the condition of the propulsion plant using a data acquisition system to record vibration levels, resonant vibrations and accelerations on the vessel. The range of data acquisition will include vibration monitoring, fluid flow measurement, vessel maneuvering and accelerations, electric power monitoring and analysis and noise level monitoring.

- **Design Studies & Standards**

Provides for anticipated design studies as mandated by ESHB 3209. These include:

- **Navigation Lighting Panel Replacements:** Request is in support of a design study to address replacing obsolescent, no longer supportable, vessel navigation lighting panels with new commercial off-the-shelf ones that support LED navigation lights. The lighting panels must be replaced since the manufacturer of the existing standard fleet panels will no longer support them. A new panel has to be identified and the detailed design completed so that replacements can be implemented on vessels during planned preservation projects. While doing so, the Ferries Division intends to pursue changing to LED navigation lighting to improve system reliability and maintainability. LED lighting generally offers ten times the life cycle of normal incandescent lighting. Reducing light bulb replacements should reduce maintenance costs.
- **Unanticipated USCG/IMO Regulatory Changes:** Request is in support of any design studies that may emerge as a result of unanticipated USCG, International Maritime Organization or any other regulatory agency changes that may require changes in vessel designs.
- **Issaquah Class LNG Design Development:** Request is in support of development of a bunkering and fuel delivery system for the Issaquah Class vessels to coincide and in conjunction with the Safety and Security Assessment.

- **Fuel Conservation:** Request is for funding what is currently undefined for further vessel improvements associated with fuel conservation and air emissions reduction. Potentially includes a design study for fuel consumption indication in the pilothouse of ferries and additional design study work for positive restraint, propellers and speed reductions.
- **Vessel Design Standards:** Request is to enable work on developing Vessel Design Standards as required by ESHB 3209.

Note: Details of who will complete the design studies and development of the Vessel Design Standards are not defined. These are values based on estimated total scope of effort and will consist of an integrated effort by the Chief Naval Architect who is covered in V-1 and existing Vessel Design staff who charge their work to capital projects.

- **Design Consumables**

Provides for consumables utilized in executing engineering functions including the following:

- Offices Supplies
 - Office printer/copier paper, admin supplies, pens, pencils, notebooks.
- Color Printer
 - Lease and Maintenance Agreement.
- Plotter Supplies
 - Maintenance Agreement, supplies, paper.
- Library subscription fees for reference materials replacement.
- Library Cataloging System
 - WSF Terminal Engineering and WSF Vessel Engineering Libraries currently maintain five disparate cataloging systems with limited interoperability. Each system grew out of a discreet need to index, locate, and deliver technical documents from varying agencies or formats. It has been the desire of both libraries to have a unified catalog for some time, to pull document delivery into the system, and, ideally, make the catalog available for the WSDOT Library for reference. In addition to streamlining the current library catalogs, the unified catalog also anticipates greater use and building the engineering collections into a comprehensive WSF resource (including training, planning, etc.).

- **Remote Operated Vehicle (ROV) Purchase:**

The cost and capability of Remote Operated Vehicles (ROV) have improved to make the use of an ROV a cost effective tool to accomplish underwater inspections in lieu of using commercial divers or drydocks. Many of our vessels are entering the UWILD program where they will require drydocking every five years in comparison to two drydockings every five years. In addition, the availability of drydock facilities in Puget Sound has become a problem and in the case of an emergency, the use of a high definition video camera would provide an excellent tool to inspect and evaluate any damage that may occur avoiding the drydocking of the vessel.

It will also provide a detailed record of the inspection that can be provided to the US Coast Guard and others to document the condition of the vessel. It would be assumed that each vessel in the UWILD program would be inspected during their annual availability at Eagle Harbor as part of a condition monitoring program of the hull, anodes and coating system.

Fiscal Detail:

Detail by Fund	FY 2014	FY 2015	2013-2015	2015-2017	2017-2019
A90 PSCC - State	273,000	273,000	546,000	TBD	TBD
Total by Fund	273,000	273,000	546,000	TBD	TBD
	FY 2014	FY 2015	2013-2015	2015-2017	2017-2019
Staffing FTEs	-	-	-	TBD	TBD

V-4 - Vessel Planning/Design Object of Expenditure Detail			
Object of Expenditure	FY 2014	FY 2015	2013-2015
A - Salaries and Wages	-	-	-
B - Benefits	-	-	-
C - Personal Service Contracts	-	-	-
E - Goods and Services	273,000	273,000	546,000
G - Travel	-	-	-
J - Capital Outlay	-	-	-
T - Interagency Reimbursement	-	-	-
Total by Object	273,000	273,000	546,000

Narrative Justification and Impact Statement

Performance measure detail:

Performance Measures for V-4 – Vessel Planning/Design	FY 2013	FY 2015
Outcome Measures: <ul style="list-style-type: none"> • Office equipment operation maintained without loss of service • AutoCAD update / training completed for full design staff • Rhino3D use expanded to 2 more disciplines to improve concept examination / assessment • Technical Library maintains efficiency 	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>
Output Measures: <ul style="list-style-type: none"> • Complete Design Studies 	<p>Yes</p>	<p>Yes</p>

Is this decision package essential to implement a strategy identified in the agency’s strategic plan? If so, please describe.

The projects discussed herein support the following WSDOT Strategic Goals:

- Objective 2.4 Ferry Vessel Maintenance and Preservation
- Objective 5.1 Capital Project Management and Delivery
- Objective 5.7 Planning and Prioritization

Does this decision package provide essential support to one of the Governor’s priorities? If so, please describe.

This activity supports efficient and effective delivery of the Ferries Division capital program.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process? If so, please describe.

This activity supports the result area of good stewardship of public resources.

What are the other important connections or impacts related to this proposal?

None

What alternatives were explored by the agency, and why was this alternative chosen?

Design Tools & Design Studies: Only other option for design tools and completion of design studies is to completely contract out engineering work to design firms who use similar tools. Doing this will cost more based on standard expenses incurred to date when using support contractors for similar efforts at current state-of-the-market rates plus it will be harder to integrate such efforts with current fleet operating methodologies and standards. Ability to respond in a timely fashion to emergent needs may also be compromised if efforts have to be coordinated first through the contractual process.

Design Consumables: Basic consumables such as printer and photocopier paper, admin supplies, pens, pencils, notebooks, Library materials, and maintenance agreements are necessary for basic office and engineering functions.

What are the consequences of not funding this package?

Design and construction staffs will not have the basic tools that allow them to complete their work.

What is the relationship, if any, to the capital budget?

None

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None

Expenditure calculations and assumptions.

- FTEs: None
- Labor costs: None
- Non-labor expenses: \$486,000 (detailed below)
(Object Code E – Goods & Services)
 - Design Tools:
 - AutoCAD Support 100,000
 - PipeFlow Analysis Tool 5,000
 - Rhino3D CAD Tool 2,000
 - Algor Finite Element Analysis Tool 4,000
 - Data Acquisition System Tool 30,000
 - Sub-Total \$141,000
 - Design Studies & Standards:
 - Navigation Light Panel Replacements 25,000
 - Unanticipated Regulatory Changes 25,000
 - Issaquah Class LNG Design Development 25,000
 - Fuel Conservation, Air Emissions 27,000
 - Vessel Design Standards 30,000
 - Sub-Total \$132,000
 - Design Consumables
 - Office Supplies (\$625/month) 15,000
 - Color Printer (\$375/month) 9,000
 - Plotter Supplies (\$625/month) 15,000
 - Library Subscription Fees 14,000
 - Library Cataloging System 60,000
 - Sub-Total \$113,000
 - Training and Administrative Tasks 100,000
(Based on prior expenditures)
 - Sub-Total \$100,000

- **Remote Operated Vehicle (ROV)**
 - FTEs: None
 - Labor costs: None
 - Non-labor expenses: \$60,000
(Object Code E – Goods & Services)

Which costs and functions are one-time versus ongoing? What are the budget impacts in future biennia?

Budget impacts in future biennia:

Continued maintenance of design tools and staff capability to utilize them will require recurrent funding. Consumption of consumables will continue as design efforts continue for life cycle support of the vessel fleet. Design studies will be required in future biennia to different degrees depending on planned and also unplanned vessel improvements.

Distinction between one-time and on-going functions and costs:

All costs and functions are on-going with the exception of the ROV purchase which is a one-time cost.

Changes from the previous Biennium:

This budget submission makes the following changes:

Design Tools:

Replaces ShipConstructor Tool with Data Acquisition System Tool. Efforts to obtain the appropriate ShipConstructor model from the shipyard collapsed. Data Acquisition System is a more dynamic tool to record vibration levels.

Design Studies:

Replaces ADA Visual Notification Study (project is complete) with Issaquah Class LNG Design Study.

Design Consumables:

Replaces completed items with updated needs for the 2013-15 Biennium.

Added new Library Cataloging System.

Added Remote Operated Vehicle (ROV) purchase.

Budget Activity Package:**V-5 – Vessel Noise Control Abatement****Recommendation Summary Text:**

This activity funds the vessel noise control abatement program which protects people by meeting Ferries Division’s commitment to address hazardous noise exposure to the engine room crews aboard vessels. This project searches for and abates hazardous noise conditions throughout the fleet.

This is a risk management issue and is therefore a priority issue for the agency. The Ferries Division has received complaints about hazardous noise conditions aboard its vessels, and in past biennia has been involved in litigation and found liable for causing hearing impairment to vessel crew members.

Beginning in the 2003-05 Biennium, Ferries Division has been conducting noise surveys of vessel areas that are suspected or are reported to exhibit excessive noise characteristics. These noise surveys have been conducted by an acoustics consultant. Following identification of noise hazards, Ferries Division institutes corrective action generally through installation of technically feasible engineering noise controls during shipyard preservation periods. Following the corrective action, noise surveys are again conducted to ensure correction of the problems

Fiscal Detail:

Detail by Fund	FY 2014	FY 2015	2013-15	2015-2017	2017-2019
A90 PSCC - State	68,000	68,000	136,000	TBD	TBD
Total by Fund	68,000	68,000	136,000	TBD	TBD
	FY 2014	FY 2015	2013-15	2015-2017	2017-2019
Staffing FTEs	0.15	0.15	0.15	TBD	TBD

V-5 - Vessel Noise Control Abatement Object of Expenditure Detail			
Object of Expenditure	FY 2014	FY 2015	2013-15
A - Salaries and Wages	14,000	14,000	28,000
B - Benefits	4,000	4,000	8,000
C - Personal Service Contracts		-	-
E - Goods and Services	50,000	50,000	100,000
G - Travel		-	-
J - Capital Outlay	-	-	-
T - Interagency Reimbursement	-	-	-
Total by Object	68,000	68,000	136,000

V-5 - Vessel Noise Control Abatement Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	Biennial Average	FY 2014	FY 2015	Total
Vessel Project Engineer, 533G	0.15	0.15	0.15	14,000	14,000	28,000
Total	0.15	0.15	0.15	14,000	14,000	28,000

Narrative Justification and Impact Statement

Performance measure detail:

Performance Measures for V-5 – Vessel Noise Control Abatement	FY 2014	FY 2015
Outcome Measures:		
<ul style="list-style-type: none"> Conduct noise surveys of vessels reported to have noise hazards or are suspected of having noise hazards 	Yes	Yes
Output Measures:		
<ul style="list-style-type: none"> Take corrected actions as necessary in response to noise surveys 	Yes	Yes

Is this decision package essential to implement a strategy identified in the agency’s strategic plan? If so, please describe.

- Objective F1.2 Ferries Safety
- Objective 1.5 Worker Safety

Does this decision package provide essential support to one of the Governor’s priorities? If so, please describe.

- Ferry Maintenance - Vessels
- Ferry Preservation – Vessels
- Ferry Improvements – Vessels
- Ferry Operations - Vessels

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process? If so, please describe.

This activity ensures the safety of the traveling public and department staff.

What are the other important connections or impacts related to this proposal?

Impact on agency clients and services:

No impacts on clients or services.

Impact on other state programs or units of government:

Prevention may reduce the liability of the Ferries operating program for employee hearing injury claims.

Other:

None.

What alternatives were explored by the agency, and why was this alternative chosen?

The alternative would be to not establish a basis for noise levels on the vessels. As a consequence, vessels would not be able to have an adequate response to claims of hearing loss or have knowledge of whether the vessels are producing noise above acceptable levels. Noise aboard vessels must be controlled and reduced to acceptable levels in order to provide a safe environment for crews and the riding public.

What are the consequences of not funding this package?

The Ferries Division will not be able to determine, address and correct excessive noise situations aboard its vessels, with possible hearing impairment impact on crew personnel and the riding public.

What is the relationship, if any, to the capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure calculations and assumptions.

- FTEs: 0.15
 - Assumes a Vessel Project Engineer (533G)
- Labor costs: Wages: \$28,000 Benefits: \$8,000 Total: \$36,000
- Non-labor expenses: \$100,000 for consultant support costs.
 - The effort required to measure existing sound levels, analyze, and propose sound mitigation modifications to vessels requires the expertise afforded by a consultant (Object Code E – Goods & Services).

Which costs and functions are one-time versus ongoing? What are the budget impacts in future biennia?

Budget impacts in future biennia:

Anticipate that there will be a continued need for noise reduction aboard the vessels. Noise problems can develop from changes in vessel configuration and installed machinery and equipment. This is an area that will require monitoring throughout the life of each vessel.

Distinction between one-time and on-going functions and costs:

Funding requested is expected to be an on-going cost. Changing conditions may require future action and costs to correct emergent noise problems.

Changes from the previous Biennium:

There are no changes from the previous Biennium.

Budget Activity Package:**V-6 – Vessel Technical Support Activities****Recommendation Summary Text:**

This activity provides timely funding for the Ferries Division's Vessel Construction Department (Vessel Construction) pre-construction and construction activities required to meet minor emergent capital needs throughout the ferry fleet.

Typical activities include toxic waste reduction activities; radar lab testing and interfacing activities vital to safe transport; preliminary engineering for preservation projects including scheduling and data collection; construction consumables necessary to efficiently complete office and vessel construction tasks and vessel preservation special projects.

This program provides tools and studies that assist in maintaining or enhancing Vessel Construction's capability for supporting the ferry fleet and includes the following:

- **Radar Laboratory Equipment**

- The Radar and Navigational Equipment Lab is used to test new capital equipment and plan for integration with existing systems prior to purchase and installation on the vessels. The Lab is critical to Ferries Division programs and plays a vital role in preserving and improving vessel navigation and communication systems.
- The proper testing and interfacing of these systems are vital for the safe transport and passage of passengers and vehicles on vessels.
- It is necessary to purchase and test the equipment prior to fleet-wide deployment to engineer how to integrate and operate the equipment. This equipment is used as emergency repair equipment for fleet needs when failures occur above normal levels and timely periods of response. The equipment is then returned to the Lab when the need is over. Support is necessary to the Lab to ensure capital purchases are effectively deployed.

- **Schedules for Fleet-wide Vessel Preservation Periods**

This request funds a Port Engineer's efforts in conjunction with the Senior Port Preservation Engineer and the Vessel Construction Manager (the two latter are funded under V-1) for continued refinement and revisions of the Fleet-wide Vessel Preservation Period Schedules. The schedules for laying-up of vessels for preservation work must: meet USCG requirements for periodic inspection and maintenance; be responsive to vessel operation requirements in serving the riding public; consider availability of civilian shipyard facilities; and must include adjustments in schedules for emergent material conditions which impact vessel availability. Significant progress has been made in developing these schedules using online tools during the 2011-13 Biennium; however, continued testing and modifications are necessary.

- **Bilge and Void Maintenance Program**

The “Washington State Ferries Financing Study II, Auto-Passenger Vessel Preservation and Replacement” Final Report dated January 10, 2008, in Recommendation 4, Maintenance and Preservation Recommendations, recommended that the Ferries Division institute a bilge and void maintenance program. The department concurred with this recommendation and has implemented such a program. Program activities continue. This effort encompasses the following:

- Continued update of vessel hull inspection / documentation drawings by a Marine Designer.
- Continued review of hull inspection results and planning for shipyard repairs by a Project Engineer.
- Continued review, oversight and direction of any necessary changes for vessel crew inspection processes by a Port Engineer.
- Continued research and implementation by one or more of the above for improved bilge / hull preservation systems.

- **Consultant Support for PMRS**

- The incorporation of the Ferries Division’s Vessel Preservation & Improvement program into WSDOT’s Project Management & Reporting System program continues.
- It is anticipated that assistance will be needed from WSDOT HQ internal staff and/or a consultant to facilitate the program. It is assumed that the Ferries Division will fund such assistance.

- **Construction Consumables**

- Provides consumables for Vessel Construction staff including:
 - Coveralls
 - Hard Hats
 - Safety Glasses
 - Inspection tools (e.g. weld gauges, pit gauges, mirrors, flashlights, dry film thickness tools)
 - Calibration of testing equipment (e.g. ultrasonic tester)
 - Cell phone replacements for those damaged during normal shipyard use
 - 2 laptop computers – planning factor for replacement of two laptops
 - 2 office printers – planning factor for replacement of two printers

Note: Laptops and printers are susceptible to damage due to frequent relocation of inspection staff to different shipyard locations.

Fiscal Detail:

Detail by Fund	FY 2014	FY 2015	2013-2015	2015-2017	2017-2019
A90 PSCC - State	230,375	230,375	460,750	TBD	TBD
Total by Fund	230,375	230,375	460,750	TBD	TBD
	FY 2014	FY 2015	2013-2015	2015-2017	2017-2019
Staffing FTEs	0.88	0.88	0.88	TBD	TBD

**V-6 - Vessel Technical Support Activities
Object of Expenditure Detail**

Object of Expenditure	FY 2014	FY 2015	2013-2015
A - Salaries and Wages	81,708	81,708	163,416
B - Benefits	23,667	23,667	47,334
C - Personal Service Contracts	-	-	-
E - Goods and Services	125,000	125,000	250,000
G - Travel	-	-	-
J - Capital Outlay	-	-	-
T - Interagency Reimbursement	-	-	-
Total by Object	230,375	230,375	460,750

Narrative Justification and Impact Statement

Performance measure detail:

Performance Measures for V-6 – Vessel Technical Support Activities	FY 2014	FY 2015
Output Measures:		
<ul style="list-style-type: none"> All drydock contract packages have updated hull documentation drawings 	Yes	Yes
<ul style="list-style-type: none"> Vessel hull inspections completed by crews / hull inspection team and results prepared in time to provide to USCG inspector prior to each Annual Inspection 	Yes	Yes

Is this decision package essential to implement a strategy identified in the agency's strategic plan? If so, please describe.

The projects discussed herein support the following WSDOT Strategic Goals:

- Objective 2.4 Ferry Vessel Maintenance and Preservation
- Objective 5.1 Capital Project Management and Delivery
- Objective 5.4 Accountability and Communication
- Objective 5.7 Planning and Prioritization

Does this decision package provide essential support to one of the Governor’s priorities? If so, please describe.

Ferry Maintenance - Vessels
Ferry Preservation – Vessels
Ferry Improvements – Vessels
Ferry Operations - Vessels

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process? If so, please describe.

This activity supports the state-wide result of good stewardship by planning, overseeing, and executing the ferry vessel preservation and improvement program in an efficient and effective manner.

What are the other important connections or impacts related to this proposal?

Impact on agency clients and services:

More efficient scheduling of shipyard visits could increase vessel availability for marine transportation service.

Impact on other state programs or units of government:

None.

Other:

None.

What alternatives were explored by the agency, and why was this alternative chosen?

The only other option for the activities identified herein is to completely contract out for any of these efforts which will cost more based on standard expenses incurred to date when using support contractors for similar efforts at current state of the market rates. Additionally, it will be harder to integrate such efforts with current fleet operating methodologies and standards. Ability to respond in a timely fashion to emergent needs may also be compromised if efforts have to be coordinated first through the contractual process. Finally, the Bilge and Maintenance Plan is a legislatively and U.S. Coast Guard mandated program.

What are the consequences of not funding this package?

Failure to fund this activity will jeopardize Ferries Division’s ability to continue with essential programs that:

- Ensure vessels are preserved properly,
- Ensure efficient and executable schedules are developed to further essential vessel maintenance and preservation activities,
- Maintain a viable Radar Laboratory which is essential to ensuring acquisition of adequate vessel navigation and communication systems integrated into the vessel,
- Ensure integration of Ferries Division’s vessel preservation and improvement program into the department-wide Project Management and Reporting System.

What is the relationship, if any, to the capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure calculations and assumptions.

- Radar Laboratory:
 - FTEs: 0.25 (Vessel Master-equivalent to EMS4)
 - Labor costs: Wages: \$50,500 Benefits: \$14,000 Total: \$64,500
 - Non-labor expenses: \$50,000
 - VHF Radios, Landing Radars, Automatic Identification System (AIS), and the S57 & NOAA Charting Systems Program (Object Code E – Goods & Services)
- Develop Maintenance Schedules
 - FTEs: 0.125 (Port Engineer, EMS4)
 - Labor Costs: Wages: \$25,250 Benefits: \$7,000 Total: \$32,250
 - Non-labor expenses: \$20,000
 - Estimated need for consultant/WSDOT IT support for further development of schedules (Object Code E – Goods & Services)
- Bilge & Void Maintenance Program
 - FTEs: 0.50 (Port Engineer, EMS4; Project Engineer, 533G; Marine Designer, 538Y)
 - Labor Costs: Wages: \$87,667 Benefits: \$26,333 Total: \$114,000 (Average of EMS4, 533G, 538Y)
 - Non-labor expenses: None
- PMRS Support
 - FTEs: 0.0
 - Labor Costs: None
 - Non-labor expenses: \$40,000
 - Estimated need for consultant/WSDOT HQ support for further implementation of PMRS (Object Code E – Goods & Services)
- Construction Consumables
 - FTEs: 0.0
 - Labor Costs: None
 - Non-labor expenses: \$40,000
 - Based on historical usage (Object Code E – Goods & Services)
- Training and Administrative Tasks: \$100,000
 - Based on historical usage (Object Code E – Goods & Services)
- **TOTAL: \$460,750**

Which costs and functions are one-time versus ongoing? What are the budget impacts in future biennia?

Budget impacts in future biennia:

Failure to fund this activity could jeopardize the Vessel Preservation and Improvement program's ability to manage the Vessel program and maintain the vessels.

Distinction between one-time and on-going functions and costs:

All functions and costs are on-going.

Changes from the previous Biennium:

Increases in the Vessel Technical Support Activities Budget this Biennium are as a result of corrections in salary and benefit calculations from the prior biennium and the addition of Training and Administrative Tasks.

Agency:	405 Department of Transportation
Decision Package Code/Title:	A - Administrative Support for WSF Construction
Budget Period:	2013-15
Budget Level:	Zero-based

Program: **W – WSF Construction**

Recommendation Summary Text:

This is the zero-based budget package proposed to the 2013 Legislature for administrative support for the Washington State Ferries (WSF) Construction Program. It funds the following activities in the 2013-15 Biennium:

- A-1 – Capital program legal services and contract development and administration;
- A-2 – Capital program and budget development and management;
- A-3 – Systemwide capital planning and special studies;
- A-4 – HR and personnel services, employee risk management and employee relations services for capital program employees;
- A-5 – Capital program financial and administrative services, including accounting, external audit and administrative services; and
- A-6 – Communications services, including public involvement, community relations and outreach for long-range capital plans and specific construction projects, coordination to mitigate the adverse impacts of construction and development of customer information about capital projects.

Consolidated Fiscal Detail: Below is the consolidated fiscal detail, object of expenditure detail and total staffing FTEs for administrative support activities. Attachments A-1 through A-6 display this information by administrative activity.

Fiscal Detail:

Administrative Support All Activities (A)					
Fiscal Detail					
Detail by Fund	FY 2014	FY 2015	2013-15	2015-17	2017-19
099-1 Puget Sd Capital Construction Account- State	5,911,000	5,857,000	11,768,000	11,768,000	8,363,000
Total by Fund	5,911,000	5,857,000	11,768,000	11,768,000	8,363,000
Staffing FTEs	22.50	22.50	22.50	22.50	22.50

Administrative Support (A)			
Object of Expenditure Detail			
Detail by Object of Expenditure	FY 2014	FY 2015	2013-15
A - Salaries and Wages	1,582,000	1,621,000	3,203,000
B - Benefits	533,000	544,000	1,077,000
C - Personal Service Contracts	551,000	427,000	978,000
E - Goods and Services	2,970,000	2,987,000	5,957,000
G - Travel	71,000	72,000	143,000
J - Capital Outlay	202,000	204,000	406,000
T - Intraagency Reimbursements	2,000	2,000	4,000
Total by Object	5,911,000	5,857,000	11,768,000

Administrative Support (A)						
Salary and FTE Detail						
	FTEs			Dollars		
	FY 2014	FY 2015	2013-15	FY 2014	FY 2015	2013-15
Legal Services and Contracts Staff	6.40	6.40	6.40	453,000	464,000	917,000
Program & Budget Devel & Mgmt Staff	6.50	6.50	6.50	522,000	534,000	1,056,000
Systemwide Planning and Special Studies	-	-	-	-	-	-
HR and Personnel Staff	1.50	1.50	1.50	78,000	79,000	157,000
Finance and Administration Staff	5.70	5.70	5.70	352,000	363,000	715,000
Communications Staff	2.40	2.40	2.40	177,000	181,000	358,000
Total Staff Dollars and FTEs	22.50	22.50	22.50	1,582,000	1,621,000	3,203,000

Narrative Justification and Impact Statement

Performance measure detail:

Attachments B-1 through B-6 provide performance measures for the six activities in the administrative support budget request using the format shown in the table below.

Performance Measures	FY 2014	FY 2015
Outcome Measure		
Output Measures		
Efficiency/Effectiveness Measures		

Does this decision package provide essential support to one of the Governor's priorities? If so, please describe.

The administrative functions funded by this zero-based budget package promote good stewardship of public funds through governmental efficiency and effectiveness. Specific beneficiaries include policy-makers (the Legislature, the Governor and WSDOT executive management), ferry riders, communities served by the Ferry System and tax payers.

What alternatives were explored by the agency, and why was this alternative chosen?

- The Ferries Division chose to budget for administrative support to the capital program using a zero-based budgeting approach. This approach was selected in order to provide transparency and to facilitate accountability for how administrative support is delivered.
- The division considered using the incremental budgeting approach for administrative support, but rejected this approach because most of the budget would not be visible and there would be insufficient information to achieve the desired level of accountability for administrative support delivery.
- The division rejected the previous approach that did not develop an identifiable administrative support budget but simply collected administrative costs and included them in project costs because this approach did not provide transparency, created uncertainty in project costs and made accountability difficult.

What are the consequences of not funding this package?

This zero-based budget package provides administrative support to develop and administer contracts, develop and manage the capital program and budget, maintain the capital plan and other long-range plans, provide necessary HR/personnel support, administer accounts receivable and payable and communicate with policy-makers and stakeholders interested in the Ferry System. Failure to fund these activities would adversely impact the division's ability to comply with the many laws pertaining to legislative programs, and the Ferries capital program in particular, and to effectively and efficiently deliver the program.

What is the relationship, if any, to the capital budget?

N/A

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure calculations and assumptions.

- FTEs and labor costs are based on specific positions authorized to charge to administrative cost collection centers in the Ferries Division Organization Chart dated April 1, 2012.
- Salaries are based on the WSDOT Labor Pricing Model.
- Non-labor expenses are based on actual expenditures in FY 2012 through June 2012 month end with selected adjustments based on 2009-11 biennium data.
- Most costs are inflated to 2014 and 2015 dollars using the Implicit Price Deflator for Personal Consumption forecast adopted in June 2012. The two exceptions are planning and 2901 Building rent costs that are not inflated.

Which costs and functions are one-time versus ongoing? What are the budget impacts in future biennia?

Budget impacts in future biennia:

By agreement among the department and OFM and legislative staff, the department prepares a zero based budget request for ensuing biennium. Future biennia expenditure plans beyond the ensuing budget biennium are based on the department's Ferries Minimum Preservation Project list currently reflected in TEIS file 13WSFV7. These future biennia expenditure plans may be revised as a result of the zero-based budget request developed for each future biennium.

Distinction between one-time and on-going functions and costs:

This budget package funds the on-going core administrative support for the WSF Construction Program. All costs are on-going but are subject to a zero-based budget methodology in each biennial budget cycle.

Package description:

Legal Services and Contracts

Sub-package A-1of the administrative support zero-based budget package funds the Ferries Division’s Legal Services and Contracts Office (Organizations 361410 and 361320) that prepares contracts and agreements, administers the contracting process, and provides legal assistance in contractual matters relating to construction contracts, engineering consultant agreements, federal provisions in contracts, and capital program agreements with state agencies, local agencies and private parties. Detailed functions include:

Providing advice, guidance and consultative services relating to contract risk, legal issues and development and implementation of capital components of strategic business initiatives; and working with the Attorney General’s Office to provide legal consultative services to executive management.

Preparing capital program contracts and agreements and administering the capital program contracting process, including the following activities:

- Managing the bidder pre-qualification process;
- Managing the competitive sealed bidding process, including, development of contractual documents and specifications; advertisement, solicitation and acceptance of bids; contract award, negotiation and execution; contract claims and law suits; contract close out; and management of contractual files and documents;
- Managing the request for proposals (RFP) process;
- Establishing contracts for vessel construction, terminal construction, charter services for mitigation of disruption in service caused by construction, etc.;
- Preparing contracts with private parties, cities and counties and state agencies for co-development ventures;
- Overseeing contractual compliance with all applicable federal requirements and statutes in capital contracts, agreements and procurements;
- Providing contract information to the Attorney General and WSDOT Risk Management for dispute resolution; and
- Coordinating legal issue reviews with the Attorney General’s Office.

Preparing and administering consultant agreements, including the following activities:

- Managing the request for proposals (RFP) process for consultant agreements involving engineering and architectural services;
- Conducting legal and engineering review of consultant agreements;
- Negotiating consultant agreement rates (overhead rates and fee rates) and revising them periodically (typically after one year);
- Approving invoices for payment after reviewing rates and compliance with consultant rules;
- Providing agreement information to the Attorney General and DOT Risk Management for dispute resolution; and
- Coordinating legal issue reviews with the Attorney General’s Office.

Providing other legal services, including:

- Handling insurance claims for vessel and terminal damages that result in reimbursement of capital expenditures to repair damage to terminals and vessels;
- Providing legal advice on compliance with regulatory agency requirements and federal-aid regulations affecting capital projects.

Attachment A-1: Fiscal Detail, Object of Expenditure Detail, Salary and FTE Detail for Legal Services and Contract Activities

Legal Services (A1)			
Fiscal Detail			
Detail by Fund	FY 2014	FY 2015	2013-15
099-1 Puget Sd Capital Construction Account- State	616,000	629,000	1,245,000
Total by Fund	616,000	629,000	1,245,000
Staffing FTEs	6.40	6.40	6.40

Legal Services (A1)			
Object of Expenditure Detail			
Detail by Object of Expenditure	FY 2014	FY 2015	2013-2015
A - Salaries and Wages	453,000	464,000	917,000
B - Benefits	151,000	155,000	306,000
C - Personal Service Contracts	-	-	-
E - Goods and Services	8,000	8,000	16,000
G - Travel	2,000	2,000	4,000
J - Capital Outlay	2,000	-	2,000
T - Intraagency Reimbursements	-	-	-
Total by Object	616,000	629,000	1,245,000

Legal Services (A1)						
Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	2013-15	FY 2014	FY 2015	2013-15
9W002 - WMS3 - Legal Svcs/Contracts Mgr	0.60	0.60	0.60	66,000	67,000	133,000
90830 - 543J - Contract Develop Mgr (Transp Planning Supvr)	0.80	0.80	0.80	80,000	82,000	162,000
A0334 - M0255 - Contract Coord 1	0.60	0.60	0.60	29,000	30,000	59,000
AO335 - M0256 - Contract Coord 2	0.80	0.80	0.80	47,000	48,000	95,000
A0341 - M0256 - Contract Coord 2	0.80	0.80	0.80	47,000	48,000	95,000
A0342 - 148E (M0256) - Y-rated Payroll Coord (Contract Coord 2)	0.80	0.80	0.80	49,000	50,000	99,000
90017 - 530P - Trans. Tech. Engr. 5	1.00	1.00	1.00	87,000	89,000	176,000
A0338 - M0246 - Consultant Coord	1.00	1.00	1.00	48,000	50,000	98,000
Total Staff Dollars and FTEs	6.40	6.40	6.40	453,000	464,000	917,000

Attachment B-1: Performance Measures for legal services and contract activities:

Performance Measures for Legal Services and Contracts	FY 2014	FY 2015
Outcome Measure: POG Result Area-Ability of State Government to Achieve Results Efficiently and Effectively <ul style="list-style-type: none"> Contracting and consultant task approval processes successfully support project delivery 	Yes	Yes
Output Measures: <ul style="list-style-type: none"> Number of vessel construction contracts active during the year Number of consultant agreements active during the year 	12-18 70-80	12-18 70-80
Efficiency/Effectiveness Measures: <ul style="list-style-type: none"> Number of vessel shipyard visits missed due to delays in processing contracts Number of state/federal audit finding about the contract process 	0 0	0 0

Package Description:

Program and Budget Development and Management

Sub-package A-2 of the administrative support zero-based budget package funds the Ferries Division's Program and Budget Development and Management Office (Organizations 365310 and 365315) that develops, advocates and manages the Legislature's program for capital investment in ferry terminals and vessels. This organization identifies and priorities capital investment needs; develops program plans and budget requests; manages capital financing through the use of financial plans, bond expenditure estimates and federal and local grant administration; and controls the use of resources through allotments, program item number (PIN) budgets, project change management, work order authorizations, budget and program performance reporting and indirect cost allocation to projects. Detailed functions include:

Identifying capital program needs for preservation and improvement of Ferry System infrastructure using life cycle cost models, the Ferry System Plan and problem-opportunity statements and preparing analyses quantifying, evaluating and prioritizing these needs.

Developing the capital program (project list) and preparing the program elements of the:

- 30-Year Metropolitan Transportation Plan (strategic planning horizon),
- 22-Year Ferry System Plan (strategic planning horizon),
- 20-Year Washington Transportation Plan (strategic planning horizon),
- 16-Year WSDOT Capital Improvement and Preservation Program (operational planning horizon), and
- Transportation Improvement Plan (TIP) and State Transportation Improvement Plan (STIP) (operational planning horizon).

Managing capital financing, including:

- Assessment of financial plans (balance sheets and sources and uses statements) supporting capital projects;
- Estimating bond expenditure demand for use in making bond sales; and
- Acquiring federal and local grants, planning for the use of grant funds and administering grants in accordance with the requirements of grantor agencies.

Managing the Ferries Division federal grant program, including:

- Preparing updates to the TIP and STIP for Ferries projects;
- Preparing grant applications;
- Administering and reporting on federal grants;
- Coordinating division participation in federal audits.
- Assigning specific federal grants to Ferries capital projects; and
- Accounting for the use of federal funds.

Developing the Ferries Division capital budget request, including:

- Preparing program budget narratives for the mission, goals, objectives, performance measures, strategies, analyses of needs, and description and classification of proposed projects;
- Determining capital program, subprogram, activity and project expenditure plans; sources of funds; objects of expenditure; work force requirements; and projected performance of budget proposals;
- Developing budgets for indirect (administrative and project support) activities; and
- Preparing legislative critiques and fiscal notes and responding to OFM and legislative inquiries.

Developing and managing the biennial plan at the program and project levels through:

- Allotments and program item number (PIN) budgets,
- Project change management,
- Work order authorizations,
- Budget and performance execution reviews, and
- Distribution of indirect costs to projects using a fully allocated costing methodology.

Attachment A-2: Fiscal Detail, Object of Expenditure Detail, Salary and FTE Detail for Program and Budget Development and Management

Program and Budget Development and Management (A2)			
Fiscal Detail			
Detail by Fund	FY 2014	FY 2015	2013-15
099-1 Puget Sd Capital Construction Account- State	968,000	987,000	1,955,000
Total by Fund	968,000	987,000	1,955,000
Staffing FTEs	6.50	6.50	6.50

Program and Budget Development and Management (A2)			
Object of Expenditure Detail			
Detail by Object of Expenditure	FY 2012	FY 2013	2013-15
A - Salaries and Wages	522,000	534,000	1,056,000
B - Benefits	165,000	167,000	332,000
C - Personal Service Contracts	-	-	-
E - Goods and Services	87,000	88,000	175,000
G - Travel	2,000	2,000	4,000
J - Capital Outlay	190,000	194,000	384,000
T - Intraagency Reimbursements	2,000	2,000	4,000
Total by Object	968,000	987,000	1,955,000

Program and Budget Development and Management (A2)						
Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	2013-15	FY 2014	FY 2015	2013-15
9W045 - WMS3 - Program Development-Budget Director	0.50	0.50	0.50	55,000	57,000	112,000
9W044 - WMS2 - Capital Program Manager	1.00	1.00	1.00	92,000	94,000	186,000
90244 - 543H - Trans Planning Spec 4 (Asst Cap Pgm Mgr)	1.00	1.00	1.00	79,000	80,000	159,000
90226 - 147C - Budget Analyst 3 (Work Orders)	1.00	1.00	1.00	60,000	61,000	121,000
9W062 - WMS2 - Grant Manager	1.00	1.00	1.00	94,000	96,000	190,000
90828 - 543G - Transp Planning Spec 3	1.00	1.00	1.00	71,000	73,000	144,000
9P011 - 543G - Transp Planning Spec 3 (Security Grants)	1.00	1.00	1.00	71,000	73,000	144,000
Total Staff Dollars and FTEs	6.50	6.50	6.50	522,000	534,000	1,056,000

Attachment B-2: Program and budget development and management activities

Performance Measures for Program and Budget Devel and Mgmt	FY 2014	FY 2015
<p>Outcome Measures: POG Result Area-Ability of State Government to Achieve Results Efficiently and Effectively</p> <ul style="list-style-type: none"> • Sufficient financial and human resources are obtained to preserve and improve Ferry System infrastructure • The expenditure authorization process supports project delivery while being consistent with the legislative appropriations act and pertinent general and Ferries specific laws • Expenditures are properly accounted for and reported in accordance with pertinent general and Ferries specific laws 	<p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p>
<p>Output Measures:</p> <ul style="list-style-type: none"> • Number of budget and allotment requests prepared • Number of unanticipated receipts and project change request forms processed • Number of active federal grants administered • Number of work orders administered • Number of financial reports prepared 	<p>3</p> <p>20-30</p> <p>25-30</p> <p>180-220</p> <p>40-50</p>	<p>3</p> <p>20-30</p> <p>25-30</p> <p>230-250</p> <p>50-60</p>
<p>Efficiency/Effectiveness Measures:</p> <ul style="list-style-type: none"> • Use performance-based and zero-based budgeting methods • Percent of agency budget request realized in the legislative appropriations act • Percent of the plan achieved for reducing the backlog of preservation • Number of audit findings pertaining to budgeting, accounting for and reporting expenditures 	<p>Yes</p> <p>90%</p> <p>90%</p> <p>0</p>	<p>Yes</p> <p>90%</p> <p>90%</p> <p>0</p>

Package Description:

Systemwide Planning and Special Studies

Sub-package A-3 of the administrative support zero-based budget package funds the Ferries Division's system wide and route-level long-range planning efforts at the federal, state, regional and departmental levels (Organization 365110).

Transportation planning requirements are increasingly complex and interwoven and require extensive technical assessments and organizational coordination. Ferries Division planning must address requirements under:

- Federal SAFETY-LU planning criteria,
- Washington State's statewide transportation legislation; and
- Washington State's recent climate change legislation, with its implications for environmental sustainability, resource management, and reduction in vehicle-miles travelled.

The Ferries Planning Office leads the Ferries Division's effort to develop a re-considered capital plan and program under ESHB 2358, Laws of 2007 (the "Ferry Financing Bill"). Detailed planning functions include:

Planning, organizing, directing, coordinating and controlling development of the Ferries Long-Range (22-year) System Plan that provides the strategic system wide and route level framework for specifying service levels, terminal and vessel infrastructure needs, funding sources, and optimizing resource allocations for meeting travel demand.

Preparing the Ferries Long-Range System Plan in accordance with regional, state and federal guidelines and ensuring coordination and integration with:

- The Puget Sound Regional Council's (PSRC) Metropolitan Transportation Plan;
- Other Regional Transportation Planning Organizations (RTPOs), including the Island County RTPO, Kitsap County Coordinating Council, and San Juan County Government;
- Ferries Advisory Committees;
- Washington State's Transportation Plan; and
- Washington State's Climate Change initiative.

Organizing and maintaining the Ferries Division's traffic statistics both system wide and by route to provide key information for long-range capital investment plans and project selections.

Developing, maintaining and operating a ferry travel forecast model to test the impact on ridership of various planning scenarios, including service level changes, differential pricing and time-of-day usage. The ferry travel model is extensively coordinated with PSRC's regional model and is developed under continuous consultation with the region's travel demand forecast experts. It is anticipated that, under the State's climate change initiative, the ferry travel model will need to be reconfigured to test for green house gas emissions.

Attachment A-3: Fiscal Detail, Object of Expenditure Detail, Salary and FTE Detail for Systemwide Planning and Special Projects

Systemwide Planning and Special Projects (A3)			
Fiscal Detail			
Detail by Fund	FY 2014	FY 2015	2013-15
099-1 Puget Sd Capital Construction Account- State	525,000	400,000	925,000
Total by Fund	525,000	400,000	925,000
Staffing FTEs	0.00	0.00	0.00

Systemwide Planning and Special Projects (A3)			
Object of Expenditure Detail			
Detail by Object of Expenditure	FY 2014	FY 2015	2013-15
A - Salaries and Wages	-	-	-
B - Benefits	-	-	-
C - Personal Service Contracts*	525,000	400,000	925,000
E - Goods and Services	-	-	-
G - Travel	-	-	-
J - Capital Outlay	-	-	-
T - Intraagency Reimbursements	-	-	-
Total by Object	525,000	400,000	925,000

Systemwide Planning and Special Projects (A3)						
Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	2013-15	FY 2014	FY 2015	2013-15
- -	-	-	-	-	-	-
Total Staff Dollars and FTEs	-	-	-	-	-	-

* Plans and studies detail:

Task	FY 2014	FY 2015	2013-15
Updates to Long Range Plan Forecasts (1)	\$ 100,000		\$ 100,000
PSRC 2040 Update	\$ 50,000		\$ 50,000
WTP Update		\$ 50,000	\$ 50,000
O & D Study (2)	\$ 350,000		\$ 350,000
Scoping/Initial Work of WSF Modal Plan Update		\$ 250,000	\$ 250,000
Miscellaneous/other (3)	\$ 25,000	\$ 100,000	\$ 125,000
TOTAL	\$ 525,000	\$ 400,000	\$ 925,000

Notes:

- (1) Will keep \$100,000 to push baseline forecasts out to 2040, subsequent to PSRC work in FY 13 and new O/D survey in FY 14.
- (2) Phase 1 of O/D survey work in 11-13 biennium with design and fielding work in FY 13 for May 2013 deployment. Phase 2 of \$350,000 related to analysis conducted in FY 2014. This keeps the O/D survey work on a 7 year update cycle, otherwise it gets too out of date.
- (3) For unanticipated projects in lieu of planning staff position funded from the X program that was cut in 11-13.

Attachment B-3: Performance measures for system wide planning and special studies

Performance Measures Systemwide Planning and Special Studies	FY 2014	FY 2015
Outcome Measure: POG Result Area-Ability of State Government to Achieve Results Efficiently and Effectively <ul style="list-style-type: none"> • The Ferries Division meets federal, state and regional planning requirements 	Yes	Yes
Output Measure: <ul style="list-style-type: none"> • Number of major plans and studies accomplished 	3	2
Efficiency/Effectiveness Measure: <ul style="list-style-type: none"> • Number of findings of failure to meet federal, state and regional planning requirements 	0	0

Package Description:

Human Resources and Personnel

Sub-package A-4 of the administrative support zero-based budget package funds the WSDOT Human Resources and Personnel Office staff (Organizations 366030 and 366040) that provides human resources and personnel services, risk management and employee relations services for employees assigned to the WSF Construction Program W. Detailed functions include:

Providing human resources and personnel services, including:

- Developing agency staffing strategies;
- Administering employee compensation and benefits programs;
- Maintaining employee records and providing employment verifications;
- Managing employee service histories (e.g., tracking employee assignments and recording work hours in each job class);
- Maintaining personnel information, including updating employee information, such as, address, phone number, birth date, veteran status, and name change; tracking employee classifications, such as, seniority, job class, pay rate, leave accruals, bargaining unit and affiliation; and tracking employee performance evaluations;
- Maintaining the agency's official organization charts;
- Providing staffing services and administrative support for various position actions, including developing and processing for approval position classification questionnaires, position reallocations to new classifications, recruiting activities for vacant positions, job advertisements, job applicant screening, and new employees processing;
- Handling HRMS/payroll input and administration; and
- Conducting certain employee investigations.

Providing risk management services, including:

- Administering workers compensation, unemployment compensation, FMLA/STD/LTD, disability/retirement and work leave;
- Administering work place accommodation, return to work and employee assistance programs;
- Handling tort claims and law suits and litigation management;
- Maintaining claims records, conducting reviews and making recommendations and preparing claims analysis reports; and
- Developing and administering the drug and alcohol testing programs.

Providing employee relations services, including:

- Administering employee recognition programs, awards and events;
- Providing general disciplinary and rewards advice and counsel;
- Providing mediation services that help management and employees resolve issues;
- Developing strategies and programs that favorably affect employee productivity, motivation, communications and involvement; and
- Providing organizational development advice and counsel.

Attachment A-4: Fiscal Detail, Object of Expenditure Detail, Salary and FTE Detail for HR and personnel services, employee risk management and employee relations services

HR and Personnel Services (A4)			
Fiscal Detail			
Detail by Fund	FY 2014	FY 2015	2013-15
099-1 Puget Sd Capital Construction Account- State	237,000	242,000	479,000
Total by Fund	237,000	242,000	479,000
Staffing FTEs	1.50	1.50	1.50

HR and Personnel Services (A4)			
Object of Expenditure Detail			
Detail by Object of Expenditure	FY 2014	FY 2015	2013-15
A - Salaries and Wages	78,000	79,000	157,000
B - Benefits	31,000	32,000	63,000
C - Personal Service Contracts	26,000	27,000	53,000
E - Goods and Services	98,000	100,000	198,000
G - Travel	2,000	2,000	4,000
J - Capital Outlay	2,000	2,000	4,000
T - Intraagency Reimbursements	-	-	-
Total by Object	237,000	242,000	479,000

HR and Personnel Services (A4)						
Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	2013-15	FY 2014	FY 2015	2013-15
90294 - 119G - HR Consultant 3	0.25	0.25	0.25	15,000	15,000	30,000
90130 - 119F - HR Consultant 2	0.50	0.50	0.50	27,000	28,000	55,000
A0202 - M0290 - Personnel Asst. 1	0.25	0.25	0.25	12,000	12,000	24,000
A0209 - M0290 - Personnel Asst. 1	0.25	0.25	0.25	12,000	12,000	24,000
A0216 - M0290 - Personnel Asst. 1	0.25	0.25	0.25	12,000	12,000	24,000
Total Staff Dollars and FTEs	1.50	1.50	1.50	78,000	79,000	157,000

Attachment B-4: Performance measures for HR/personnel services, employee risk management and employee relations services

Performance Measures HR and Personnel Services	FY 2014	FY 2015
Outcome Measure: POG Result Area-Ability of State Government to Achieve Results Efficiently and Effectively <ul style="list-style-type: none"> Capital projects and administrative and project support activities are adequately staffed to accomplish the legislatively approved program 	Yes	Yes
Output Measure: <ul style="list-style-type: none"> Number of FTEs supported 	115-135	115-135
Efficiency/Effectiveness Measure: <ul style="list-style-type: none"> Percent of actual to planned use of FTEs 	90%	90%

Package Description:

Finance and Administration

Sub-package A-5 of the administrative support zero-based budget package funds finance and administrative services for the Ferries capital program, including executive oversight of engineering offices ((Organization 362010), accounting and purchasing services (Organizations 365510 and 365520), external audit services (Organizations 271010 and 271030), administrative services (Organization 365910) and environmental program management (Organization 363640).

Detailed functions include:

Providing executive oversight of the Terminal Engineering Directorate and the Vessel Maintenance, Preservation and Engineering Directorate through the Deputy Chief of Operations and Construction.

Providing accounting services, including:

- Accounting for fixed assets, including capitalization, depreciation and retirement of fixed assets and updating the Transportation Asset Reporting and Tracking System;
- Accounting for federal and local grants, including monitoring set up of agreements in the accounting system, tracking expenditures against grant authorizations, preparing financial reports and reimbursement requests to grantor agencies, monitoring compliance with federal and local grant requirements, and supporting information requests from grantor auditors;
- Ensuring proper accounting for expenditures by treasury account, legislative program and fiscal period by monitoring expense budget control lines in the accounting system, reviewing accounts payable and receivable coding, monitoring work order entries, preparing journal vouchers to correct transactions, and reconciling and closing work orders;
- Conducting financial transactions, including processing consultant invoices, preparing billings under reimbursable agreements, transferring funds, cancelling warrants and tracking disposition of aged warrants;
- Reviewing general ledger summaries, such as, trial balances;
- Reporting construction work in progress; and
- Preparing external state and federal financial reports.

Providing external audit services, including:

- Determining the reasonableness of consultant overhead rates;
- Reviewing payments to contractors and consultants;
- Identifying and resolving audit exceptions;
- Determining amounts due from or owed to contractors and consultants; and
- Providing other external audit support as required.

Providing administrative services, including:

- Managing building leases and rental agreements and acting as tenant liaison for service changes, maintenance and repair issues;
- Performing office space planning, developing tenant improvements and preparing modular office configurations;
- Managing the Ferries Division's fleet of TEF vehicles and equipment;
- Providing centralized review and approval of non-project related rent, telecommunications, copier and TEF payments;
- Providing reception services;
- Managing mail distribution and collection;
- Administering state vehicle, employee and visitor parking programs;
- Coordinating vessel galley investments;
- Overseeing periodic physical inventory;
- Purchasing goods and services related to administrative activities; and
- Providing staff-aid support to the Division's two deputy chiefs.

Providing environmental program management, including:

- Assessing the regulatory environment to identify impacts on the policies and procedures used by engineering organizations to deliver the capital program;
- Developing, implementing, integrating and maintaining environmental protection policies and procedures for engineering organizations.

Attachment A-5: Fiscal Detail, Object of Expenditure Detail, Salary and FTE Detail for financial and administrative services, including accounting, external audit, payroll and administrative services

Financial and Administrative Services (A5)			
Fiscal Detail			
Detail by Fund	FY 2014	FY 2015	2013-15
099-1 Puget Sd Capital Construction Account- State	3,305,000	3,334,000	6,639,000
Total by Fund	3,305,000	3,334,000	6,639,000
Staffing FTEs	5.70	5.70	5.70

Financial and Administrative Services (A5)			
Object of Expenditure Detail			
Detail by Object of Expenditure	FY 2012	FY 2013	2013-15
A - Salaries and Wages	352,000	363,000	715,000
B - Benefits	127,000	130,000	257,000
C - Personal Service Contracts	-	-	-
E - Goods and Services	2,757,000	2,771,000	5,528,000
G - Travel	63,000	64,000	127,000
J - Capital Outlay	6,000	6,000	12,000
T - Intraagency Reimbursements	-	-	-
Total by Object	3,305,000	3,334,000	6,639,000

Financial and Administrative Services (A5)						
Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	2013-15	FY 2014	FY 2015	2013-15
9W060 - WMS4 - Deputy Chief, Oper & Constr	0.50	0.50	0.50	64,000	66,000	130,000
A0300 - M0233 - Accountant	1.00	1.00	1.00	56,000	57,000	113,000
A0311 - M0232 - Accounting Asst. 3	1.00	1.00	1.00	48,000	49,000	97,000
90057 - 143M - Fiscal Analyst 5	0.50	0.50	0.50	31,000	32,000	63,000
A0322 - M0210 - Receptionist	0.50	0.50	0.50	17,000	17,000	34,000
A0328 - M0252 - Buyer 3	0.20	0.20	0.20	8,000	9,000	17,000
90815 - 542H - Facilities Planner	0.25	0.25	0.25	18,000	19,000	37,000
09W024 - WMS2 - Enviro. Prog. Mgr	0.25	0.25	0.25	24,000	25,000	49,000
A0327 - M0270 - Mail Clerk	0.50	0.50	0.50	17,000	18,000	35,000
A0215 - M0226 - Staff Aide	0.50	0.50	0.50	24,000	25,000	49,000
- - EXTERNAL AUDITOR (HQ)	0.50	0.50	0.50	45,000	46,000	91,000
Total Staff Dollars and FTEs	5.70	5.70	5.70	352,000	363,000	715,000

Attachment B-5: Performance measures for financial and administrative services, including accounting, external audit, purchasing and administrative services

Performance Measures for Finance and Administrative Services	FY 2014	FY 2015
<p>Outcome Measures: POG Result Area-Ability of State Government to Achieve Results Efficiently and Effectively</p> <ul style="list-style-type: none"> • The Ferries Division efficiently and effectively meets its capital program financial obligations • Expenditures are properly accounted for and reported in accordance with pertinent general and Ferries specific laws • State employees have the means to do their jobs 	<p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p>
<p>Output Measures:</p> <ul style="list-style-type: none"> • Dollar amount of accounting transactions • Number of FTEs supported by administrative services 	<p>\$100-150 mil</p> <p>115-135</p>	<p>\$100-150 mil</p> <p>115-135</p>
<p>Efficiency/Effectiveness Measures:</p> <ul style="list-style-type: none"> • Close the biennium in compliance with RCW 43.88.290 • Number of audit findings pertaining to accounting for and reporting expenditures 	<p>Yes</p> <p>0</p>	<p>Yes</p> <p>0</p>

Package Description:

Communications

Sub-package A-6 of the administrative support zero-based budget package funds communications services for the Ferries capital program, including public involvement and community relations and outreach (Organization 368010), coordination for mitigation of the adverse impacts of construction and customer information (Organization 368110). Detailed functions include:

Performing public involvement and community relations and outreach activities pertain to long-range capital plans and project design alternatives, including:

- Preparing and distributing, through a variety of media, notification of long-range capital plans and project design alternatives to customers, communities and the general public;
- Planning, organizing, and coordinating public involvement and community relations activities to facilitate agency-public dialogue about long-range capital plans and capital project design alternatives;
- Participating in public meetings and design presentations;
- Collecting, analyzing and reporting responses from customers, communities and the general public to long-range capital plans and project design alternatives; and
- Communicating to policy makers input from customers, communities and the general public regarding long-range capital plans and project design alternatives.

Coordinating mitigation of the adverse impacts of construction projects on customers, communities and the general public:

- Preparing notification to riders that construction will disrupt or curtail ferry service and require that they adjust their means of transportation;
- Coordinating measures to facilitate safe and efficient movement of riders into and out of the terminal and through construction areas;
- Coordinating with transportation providers to mitigate the adverse impact of construction on modal connections by making adjustments in service levels, schedules and pick-up/drop-off locations;
- Leasing transportation services to mitigate the impacts of construction disruptions on ferry service; and
- Coordinating with communities to mitigate the impact of construction-related changes in ferry traffic flows on local transportation networks.

Providing general public information support to the capital program, including:

- Preparing press releases;
- Preparing web pages and information brochures describing capital projects;
- Preparing information about capital projects for use by the agency's information agents; and
- Coordinating public disclosure requests.

Attachment A-6: Fiscal Detail, Object of Expenditure Detail, Salary and FTE Detail for communications services, including public involvement, community relations and outreach, business development, coordination to mitigate the adverse impacts of construction and customer information

Communications Services (A6)			
Fiscal Detail			
Detail by Fund	FY 2014	FY 2015	2013-15
099-1 Puget Sd Capital Construction Account- State	260,000	265,000	525,000
Total by Fund	260,000	265,000	525,000
Staffing FTEs	2.40	2.40	2.40

Communications Services (A6)			
Object of Expenditure Detail			
Detail by Object of Expenditure	FY 2014	FY 2015	2013-15
A - Salaries and Wages	177,000	181,000	358,000
B - Benefits	59,000	60,000	119,000
C - Personal Service Contracts	-	-	-
E - Goods and Services	20,000	20,000	40,000
G - Travel	2,000	2,000	4,000
J - Capital Outlay	2,000	2,000	4,000
T - Intraagency Reimbursements	-	-	-
Total by Object	260,000	265,000	525,000

Communications Services (A6)						
Salary and FTE Detail						
List positions by classification	FTEs			Dollars		
	FY 2014	FY 2015	2013-15	FY 2014	FY 2015	2013-15
9W049 - WMS 3 - Corp. Comm. Dir	0.50	0.50	0.50	57,000	58,000	115,000
A0301 - M0226 - Staff Aid	0.50	0.50	0.50	24,000	25,000	49,000
9W018 - WMS 2 - Cust. Comm. Mgf	0.20	0.20	0.20	19,000	20,000	39,000
9W054 - WMS 1 - Pub. Involv. Mgr	0.60	0.60	0.60	44,000	45,000	89,000
9W055 - 197K - Comm. Consultant 3	0.60	0.60	0.60	33,000	33,000	66,000
Total Staff Dollars and FTEs	2.40	2.40	2.40	177,000	181,000	358,000

Attachment B-6: Performance measures for communications services, including public involvement, community relations and outreach, coordination to mitigate the adverse impacts of construction and customer information

Performance Measures for Communications Services	FY 2014	FY 2015
Outcome Measure: POG Result Area-Ability of State Government to Achieve Results Efficiently and Effectively <ul style="list-style-type: none"> The public is informed about the nature and impact of planned terminal projects 	Yes	Yes
Output Measure: <ul style="list-style-type: none"> Terminal preliminary engineering expenditures 	\$5-15 Mil	\$5-15 Mil
Efficiency/Effectiveness Measure: <ul style="list-style-type: none"> Number of findings of inadequate statutorily required public involvement 	0	0

TEIS Ferry Requirements

TEIS FERRY REQUIREMENTS

The Department will submit the Washington State Ferries TEIS project list electronically.

Transportation-Specific Inflation

TRANSPORTATION-SPECIFIC INFLATION

Inflation for Transportation Capital Programs

A narrative document detailing the inflation factor used, the assumptions used to determine the factor, and how the factor it used compares to industry standards is included in the Capital Improvement and Preservation Program (CIPP) overview document.

Moving Washington

Moving Washington is the department’s framework for making decisions for transportation investments that focus on keeping people and goods moving and supporting a healthy economy, environment, and communities.

Moving Washington is anchored by the department’s highest priority: maintaining and preserving the safe and long-lasting performance of existing infrastructure, facilities and services. This is the heart of Moving Washington and the target of our investments.

Moving Washington combines three essential transportation strategies to achieve and align our objectives and those of our partners: operate efficiently, manage demand, and add capacity strategically. It is through the application of these strategies that the department is able to ensure that investments are integrated and solutions are cost-effective.



At its basic level, Moving Washington is a budgeting and investment strategy, which is more important now than ever, given declining transportation revenue and growing demands on our state’s highways, ferries and rails. The state is not in a position to build everything everyone wants. We must have a way to prioritize the needs and find the most efficient solutions that support and enhance Washington’s economic vitality.

Since putting Moving Washington in place in 2007, the department approaches transportation challenges differently. We begin by looking at a problem not just from a localized view but on a corridor basis. It applies on a highway or rail corridor, as well as corridors that involve both highway and ferry routes. For example, we might ask ourselves whether the use of ramp meters, cameras and active traffic management technology should be a first step to make the corridor *operate more efficiently*. Also, we would talk about how to *manage the demand* in a particular corridor and whether variable-rate tolling, improved traveler information or public-transportation alternatives could provide some relief. Only then would we think about *strategically adding capacity* – and, even then, we might not rush to the “Cadillac” version but, instead, a strategic investment that is the right choice, the right solution at the right time. For example, maybe hard-shoulder running during peak commute periods could provide needed, short-term relief.

Moving Washington isn’t overly complicated, but it gives us a framework for decision-making, particularly in an era of limited resources. Within the department, the Secretary has made it clear that it is not OK to think and act in silos – construction solutions, traffic fixes, tolling

applications and so on. The department strives to work cohesively and collaboratively – as one agency looking for the best solutions.

The department's 2013-15 biennial budget request reflects the priorities and principles of Moving Washington in all activities, from planning, programming, constructing, operating and maintaining state facilities, to managing the department's resources. Examples include:

- **Maintain and Keep Safe:** Funding is requested to continue to buy down the maintenance backlog. Ferry terminal and vessel preservation is provided at a level to continue the safe operation of the ferry system. New ferry vessel construction will allow the department to replace aging vessels that are nearing the end of their useful lives. Highway preservation investments continue statewide.
- **Operate Efficiently –** The budget request preserves traffic management tools to maximize available capacity such as ramp meters, Incident Response, traffic signal timing, and low-cost enhancements. The budget submittal also includes decision packages that reduce staff, realign and consolidate offices, eliminate underutilized equipment, and eliminate low-priority and non-essential activities.
- **Manage Demand –** The budget request also supports the principal of managing demand by maintaining state support for public transit grants and targeting reductions for rail and ferry services to the least efficient runs. The department continues the existing level of tolling operations including High Occupancy Toll lanes as well as the tolled corridors of SR 16/Tacoma Narrows Bridge and SR 520 Floating Bridge.
- **Add Capacity Strategically –** The department's budget submittal continues construction and completes highway projects funded by the 2003 Transportation (Nickel) funding package and the 2005 Transportation Partnership Account (TPA) funding package as well as projects funded by the pre-existing gas tax.

Personnel Information

Overall Staffing Headcount

Data as of: 06/30/2012

Data Captured on: 07/10/2012

DOT 4050	Not Seasonal																											Seasonal					Total								
Perm Full time	AWV	Audit	Avia	CRC	Communic	East	Env&Eng	Freight&Rail	Hwys Loc	IT	Mnt & Op	NC	NW	OEO	OHR	Oly	Public Trans	Risk Mgmt	SC	SP&F	SR520	SW	Sec Off	TOLLS	UPO	WSF CEO	WSF Cnstr/OPS/Trm Eng	WSF Communic	WSF Dep Dir	WSF HR	WSF Oper	WSF Vessl Prsv & Mint	Total	East	NC	NW	Oly	SC	SW	Total	Total
Total	109	13	9	19	13	387	489	33	30	239	104	244	1121	13	52	721	42	16	457	276	81	433	12	36	14	2	84	6	18	5	30	13	5121	5	12	4	6	45	1	73	5194

DOT 4050	Not Seasonal																	Total		
Perm Part-time	AWV	Audit	CRC	Commum	East	Env&Eng	IT	Mnt & Op	NC	NW	OHR	Oly	SC	SP&F	SR520	SW	UPO	WSF CEO	Total	Total
Total	4	1	1	3	1	15	1	1	6	9	1	12	4	6	7	3	2	1	78	78

DOT 4050	Not Seasonal																	Total
Non Perm	AWV	East	Env&Eng	IT	NC	NW	OHR	Oly	Public Trans	Risk Mgmt	SC	SP&F	SR520	SW	TOLLS	WSF Dep Dir	Total	Total
Total	2	40	25	1	19	48	23	45	1	2	58	2	1	44	1	1	313	313

Fleet Marine Div Perm Full Time	1585
Fleet Marine Div Perm Part-time	4
Fleet Marine Div Non Perm	49
Total	1638

DOT Agency 4050	Fleet/Marine Division	
DOT NON Ferries Div	Ferries Fleet/Marine	All Staff Headcount
5585	1638	7223
Permanent	Permanent	All Perm
5272	1589	6861
Seasonal		
73		
Non Perm	Non Perm	All Non Perm
313	49	362

Additional Budget Submittal Content Requirements for Transportation Agencies

ADDITIONAL BUDGET SUBMITTAL CONTENT REQUIREMENTS FOR TRANSPORTATION AGENCIES

A summary of department consultant usage in 2011-13 and projected for 2013-15 is included in the Capital Improvement and Preservation Program (CIPP) overview document.

