



**Washington State
Department of Transportation**

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April 15, 2018

David Schumacher, Director
Office of Financial Management
PO Box 43113
Olympia, WA 98504-3113

RE: Section 601(1) - Fund Transfers (Engrossed Substitute Senate Bill 6106.PL)

Engrossed Substitute Senate Bill 6106.PL, Section 601(1) authorizes the Director of the Office of Financial Management to approve appropriation adjustments for highway projects funded with Transportation Partnership Account (TPA) and Connecting Washington Account (CWA) appropriations that exceeds the authority provided to the department in section 601 (1)(g). See attachment for bill language.

Consistent with the process established by the Office of Financial Management, the department is submitting the necessary documentation for review and approval of these requests. The following adjustment addresses cash flow issues that would otherwise prevent the delivery of these projects.

Projects requiring additional funding	CWA (\$/1,000)	TPA (\$/1,000)	Total (\$/1,000)	Description
I-90/Barker to Harvard – Improve Interchanges and Local Roads	2,750	-	2,750	Design coordination between WSDOT and the Cities of Liberty and Spokane Valley.
SR 167/SR 509 Puget Sound Gateway	40,000	-	40,000	Advance right of way acquisition.
SR 162/Orting Area – Construct Pedestrian Tunnel		489	489	City of Orting advancement to complete design.
I-82/ EB WB On and Off Ramps	8,100	-	8,100	Advance construction to allow one construction season delivery.
SR 432 Longview Grade Crossing	4,000	-	4,000	Cash flow adjustment to allow project to stay on schedule.
Total	54,850	489	55,339	

Included in this request is a list of “Donor” projects that provide the offset to these increases.

Director Schumacher
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Projects providing funds	CWA (\$/1,000)	TPA (\$/1,000)	Total (\$/1,000)	Description
SR 520 Seattle Corridor Improvements – West End (M00400R)	27,425	-	27,425	Delivery plan updated to address right of way acquisition issues.
I-405/Renton to Bellevue – Corridor Widening (M00900R)	27,425	-	27,425	Favorable bids on early stage work reduced the cash flow needed in 17-19.
I-205/Mill Plain Interchange to NE 18 th St – Build Interchange – Stage 2 (420511A)	-	489	489	Savings at project completion.
Total	54,850	489	55,339	

In summary, the department requests OFM's approval to transfer \$54,850,000 of Connecting Washington Account and \$489,000 of Transportation Partnership Account appropriation to the listed projects that require additional appropriation authority in the 17-19 biennium. The department has identified projects to offset the additional appropriation needed for this increase.

Please contact me at (360) 705-7121 or alexanja@wsdot.wa.gov if you have questions or need additional information. Thank you.

Sincerely,



Jay Alexander, Director
Capital Program Development and Management
Washington State Department of Transportation

JA:mde

Enclosure: ESSB 6106.PL, Section 601

cc: Dean Carlson, OFM
Alyssa Ball, OFM

RECIPIENT

Request No. 17-19 Q3 R01

Notification Type: ✓ 601 Transfer 601 Reappropriation Administrative

Type of Change: ✓ **Budget** **Schedule** **Scope**
 Total Project Cost
 Biennial Aging

Revenue Package: ✓ CWA TPA PEF
Project Title: I-90/Barker to Harvard – Improve Interchanges and Local Roads

Project Number: L2000122
Program: Improvement
WSDOT Region: ER
County: Spokane
Leg. District: 04



Project Description from 18LEGFIN:
Improve Barker Road and Harvard Road interchanges and connect the local road network north and south of I-90 at Henry Road.

Justification of Need:

1. What is the requested change to this project?

Requesting \$2.75 million cash flow adjustments into 17-19 on the I-90/Barker to Harvard – Improve Interchanges and Local Roads project.

2. Why is this requested change needed?

This is a partnership project with the City of Liberty Lake and the City of Spokane Valley that will have design work that is coordinated with the WSDOT.

This request has two elements that implement identified practical solutions:

A. Advance \$1.15M of design and right of way funds to improve I-90 westbound on ramps from Harvard Rd. and complete design for the Harvard Bridge widening.

[Signature] 4.12.18

Date

Approvals:

Senior Budget Assistant, OFM

Date

Director, OFM

Date

The City of Liberty Lake had a TS&L study completed for the Harvard bridge widening and is poised to enter into a partnership with the WSDOT to complete the design now if the WSDOT funding is available.

If approved, the requested change would result in completing both the right of way acquisition phase and the design phase for the Harvard Interchange element of the overall I-90/Barker to Harvard – Improve Interchanges and Local Roads project. This request leverages money already expended by the City on design efforts and results in a significant deliverable for the overall project.

- B. (3) Advance \$1.6M of design and right of way to address existing congestion at the Barker Interchange north ramp terminal with intersection improvements.

The WSDOT is actively working to complete the design and construction of the south ramp terminals at the Barker Rd I/C and will have the south ramp terminal work operationally complete in late 2019 or early 2020.

The City of Spokane Valley has capacity and can complete the design and the WSDOT can acquire the RW for the north ramp terminals if funding was available. Design and RW acquisition would be complete in early 2019

If approved this portion of the requested change would result in completing both the right of way acquisition phase and the design phase for the Barker Interchange element of the overall I-90/Barker to Harvard – Improve Interchanges and Local Roads project. This request leverages capacity the City has available to complete the design.

Spokane Valley was recently selected as a TIGER recipient for a new grade separated IC on the north end of Barker at the intersection of SR 290 and Barker Rd.

Completing the design of the north ramp terminals at the Barker IC with I90 would significantly boost the partnership with the City of Spokane Valley.

- C. What alternatives were explored and why was this alternative chosen?

This project is funded primarily with CWA funds. Program capacity exists within existing appropriation levels. This approach makes use of the existing capacity.

Current Plan:

Project Phase	17-19	19-21	21-23	23-25	25-27	27-29	29-31	Total
PE	500	0	0	0	0	3,960		4,460
RW	0	0	0	0	0	400		400
CN	0	0	0	0	0	3,240	18,800	22,040
TOTAL	500	0	0	0	0	7,600	18,800	26,900

Proposed Plan:

Project Phase	17-19	19-21	21-23	23-25	25-27	27-29	29-31	Total
PE	1,900	0	0	0	0	850		2,750
RW	1,350	0	0	0	0	5,000		6,350
CN	0	9,150	0	0	0	3,240	5,410	17,800
TOTAL	3,250	9,150	0	0	0	6,800	5,410	26,900

RECIPIENT

Request No. 17-19 Q3 R02

Notification Type: ✓ 601 Transfer 601 Reappropriation Administrative

Type of Change: ✓ **Budget** Schedule Scope
 Total Project Cost
 Biennial Aging

Revenue Package ✓ CWA TPA PEF

Project Title: SR 167/SR 509 Puget Sound Gateway

Project Number: M00600R

Program: Improvement

WSDOT Region: NWR/OR

County: King, Pierce

25,27,30,31,

Leg. District: 33



Project Description from 18LEGFIN:

Constructs a new four lane alignment on SR 167 between I-5 in Tacoma and SR 161 in Puyallup; connects SR 509 south from SeaTac to I-5.

Justification of Need:

1. What is the requested change to this project?

Requesting \$40 million cash flow adjustments into 17-19 on the SR 167/SR 509 Puget Sound Gateway project for early right of way acquisition.

2. Why is this requested change needed?

Advancement of right-of-way acquisition activities will reduce the risk of property value increases and project delays.

3. What alternatives were explored and why was this alternative chosen?

This project is funded with CWA funds. Program capacity exists within existing appropriation levels. This approach makes use of the existing capacity. Leaving right of way acquisition on the existing timeline increases project delivery risks.


Director, CPD&M

4.12.18
Date

Approvals:

Senior Budget Assistant, OFM

Date

Director, OFM

Date

Current Plan:

Project Phase	prior	17-19	19-21	21-23	23-25	25-27	27-29	29-30	Total
PE	2,263	21,096	21,500	13,500	7,000	0	0		65,359
RW	0	68,943	169,000	61,000	29,000	0	0		327,943
CN	86	3,612	114,600	320,900	230,000	313,000	300,000	200,000	1,482,198
TOTAL	500	93,651	305,100	395,400	266,000	313,000	300,000	200,000	1,875,500

Proposed Plan:

Project Phase	prior	17-19	19-21	21-23	23-25	25-27	27-29	29-30	Total
PE	2,263	21,096	21,500	13,500	7,000	0	0		65,359
RW	0	108,943	129,000	61,000	29,000	0	0		327,943
CN	86	3,612	114,600	320,900	230,000	313,000	300,000	200,000	1,482,198
TOTAL	2,349	133,651	253,100	395,400	266,000	313,000	300,000	200,000	1,875,500

RECIPIENT

Request No. 17-19 Q3 R03

Notification Type: ✓ 601 Transfer 601 Reappropriation Administrative

Type of Change: ✓ **Budget** Schedule Scope
Total Project Cost
→ Biennial Aging

Revenue Package CWA ✓ TPA PEF

Project Title: SR 162/Orting Area – Construct Pedestrian Tunnel

Project Number: 316218A

Program: Improvement

WSDOT Region: Olympic

County: Pierce

Leg. District: 02



Project Description from 18LEGFIN:
Construct pedestrian tunnel under SR 162.

This is a Pierce County lead project to construct a dedicated pedestrian evacuation route from Orting school campuses to a safe location on the Orting Plateau in the event of Lahar. This \$850,000 is the State's contribution from the 2005 Transportation Partnership Account.

Justification of Need:

1. What is the requested change to this project?

The City of Orting is requesting that the remaining balance of the WSDOT contribution for the Bridge for Kids project be moved to the current biennium.

2. Why is this requested change needed?

The City of Orting is requesting this change in order to complete PS&E in 2017-19, which will facilitate the search for funding opportunities for project construction. The total construction cost is estimated to be \$5-10 million.

Approvals:

 4.12.19

Date

Senior Budget Assistant, OFM

Date

Director, OFM

Date

3. What alternatives were explored and why was this alternative chosen?

This project is funded with TPA funds. Program capacity exists within existing appropriation levels. This approach makes use of the existing capacity.

Current Plan:

Project Phase	Prior	15-17	17-19	19-21	21-23	Total
PE	304,000	53,000	8,000	489,000	0	854,000
TOTAL	304,000	53,000	8,000	489,000	0	854,000

Proposed Plan:

Project Phase	Prior	15-17	17-19	19-21	21-23	Total
PE	304,000	53,000	497,000	0	0	854,000
TOTAL	304,000	53,000	497,000	0	0	854,000

RECIPIENT

Request No. 17-19 Q3 R04

Notification Type: ✓ 601 Transfer 601 Reappropriation Administrative

Type of Change: ✓ **Budget** Schedule Scope
 Total Project Cost
 Biennial Aging

Revenue Package ✓ CWA TPA PEF

Project Title: I-82/ EB WB On and Off Ramps

Project Number: L2000123

Program: Improvement

WSDOT Region: SCR

County: Yakima

Leg. District: 15



Project Description from 18LEGFIN:

The I-82 South Union Gap interchange is currently a partial interchange with only a westbound off-ramp and an eastbound on-ramp. This project would provide for full access to the south Union Gap area and complete the interchange by constructing a westbound on-ramp and eastbound off-ramp.

Justification of Need:

1. What is the requested change to this project?

Requesting \$8.1 million cash flow adjustments into 17-19 on the I-82/ EB WB On and Off Ramps project.

2. Why is this requested change needed?

Funding is needed to advance the start of construction five months to allow the project to be completed in one construction season instead of two construction seasons as originally anticipated. During design it was determine that this project could be constructed in one construction season, which will be a more efficient delivery. This will also likely reduce the cost of the project. The amount of possible savings will be clearer once the Request for Proposal is advertised later this summer.

[Signature] 4.12.18

Director, CPD&M Date

Approvals:

Senior Budget Assistant, OFM Date Director, OFM Date

RECIPIENT

Request No. 17-19 Q3 R05

Notification Type: ✓ 601 Transfer 601 Reappropriation Administrative

Type of Change: ✓ **Budget** Schedule Scope
Total Project Cost
Biennial Aging

Revenue Package ✓ CWA TPA PEF

Project Title: SR 432 Longview Grade Crossing

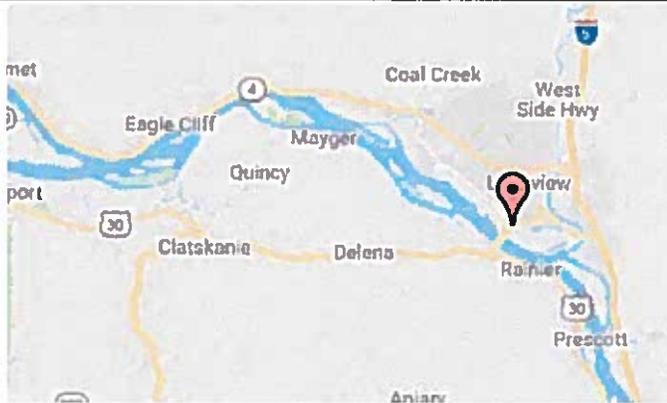
Project Number: L2000091

Program: Improvement

WSDOT Region: SWR

County: Cowlitz

Leg. District: 19



Project Description from 18LEGFIN:
Build grade crossing for economic development.

Justification of Need:

1. What is the requested change to this project?

Requesting \$3 million cash flow adjustments into 17-19 on the SR 432 Longview Grade Crossing project for accelerated design and right of way.

2. Why is this requested change needed?

This is a partnership project with the locals. Cowlitz County funded the initial work prior to CWA funding availability at the beginning of the 17-19 biennium. Anticipated expenditures indicate the team would exceed available biennial funds and need to slow down work, likely jeopardizing delivery. Revising the cash flow to advance money into 17-19 will allow the project to continue on its current pace through the environmental process, begin the RW phase, and be in a better position to deliver on schedule. The cash flow (current and proposed) plan is shown in the charts below.

3. What alternatives were explored and why was this alternative chosen?

This project is funded with local and CWA funds. Program capacity exists within existing appropriation levels. This approach makes use of the existing capacity.

Approvals:

[Signature] 4.12.18

Director, CPO&M Date Senior Budget Assistant, OFM Date Director, OFM Date

Leaving design and right of way funding at the existing cash flow increases project delivery risks.

Current Plan:

Project Phase	17-19	19-21	21-23	23-25	Total
PE	1,500	2,400	100	0	4,000
RW	0	12,000	3,000	0	15,000
CN	0	0	59,000	7,000	66,000
TOTAL	1,500	14,400	62,100	7,000	85,000

Proposed Plan:

Project Phase	17-19	19-21	21-23	23-25	Total
PE	3,500	2,400	100	0	6,000
RW	2,000	11,500	1,500	0	15,000
CN	0	500	59,000	4,500	64,000
TOTAL	5,500	14,400	60,600	4,500	85,000

1 **IMPLEMENTING PROVISIONS**

2 **Sec. 601.** 2017 c 313 s 601 (uncodified) is amended to read as
3 follows:

4 **FUND TRANSFERS**

5 (1) The 2005 transportation partnership projects or improvements
6 and 2015 connecting Washington projects or improvements are listed in
7 the LEAP Transportation Document (~~(2017-1)~~) 2018-1 as developed
8 (~~(April 20, 2017)~~) March 5, 2018, which consists of a list of
9 specific projects by fund source and amount over a sixteen-year
10 period. Current fiscal biennium funding for each project is a line-
11 item appropriation, while the outer year funding allocations
12 represent a sixteen-year plan. The department of transportation is
13 expected to use the flexibility provided in this section to assist in
14 the delivery and completion of all transportation partnership account
15 and connecting Washington account projects on the LEAP transportation
16 document referenced in this subsection. For the 2017-2019 project
17 appropriations, unless otherwise provided in this act, the director
18 of the office of financial management may provide written
19 authorization for a transfer of appropriation authority between
20 projects funded with transportation partnership account
21 appropriations or connecting Washington account appropriations to
22 manage project spending and efficiently deliver all projects in the
23 respective program under the following conditions and limitations:

1 (a) Transfers may only be made within each specific fund source
2 referenced on the respective project list;

3 (b) Transfers from a project may not be made as a result of the
4 reduction of the scope of a project or be made to support increases
5 in the scope of a project;

6 (c) Transfers from a project may be made if the funds
7 appropriated to the project are in excess of the amount needed in the
8 current fiscal biennium;

9 (d) Transfers may not occur for projects not identified on the
10 applicable project list;

11 (e) Transfers may not be made while the legislature is in
12 session;

13 (f) Transfers to a project may not be made with funds designated
14 as attributable to practical design savings as described in RCW
15 47.01.480;

16 (g) Each transfer between projects may only occur if the director
17 of the office of financial management finds that any resulting change
18 will not hinder the completion of the projects as approved by the
19 legislature. Until the legislature reconvenes to consider the 2018
20 supplemental omnibus transportation appropriations act, any
21 unexpended 2015-2017 appropriation balance as approved by the office
22 of financial management, in consultation with the legislative staff
23 of the house of representatives and senate transportation committees,
24 may be considered when transferring funds between projects; and

25 (h) Transfers between projects may be made by the department of
26 transportation without the formal written approval provided under
27 this subsection (1), provided that the transfer amount does not
28 exceed two hundred fifty thousand dollars or ten percent of the total
29 project, whichever is less. These transfers must be reported
30 quarterly to the director of the office of financial management and
31 the chairs of the house of representatives and senate transportation
32 committees.

33 (2) The department of transportation must submit quarterly all
34 transfers authorized under this section in the transportation
35 executive information system. The office of financial management must
36 maintain a legislative baseline project list identified in the LEAP
37 transportation documents referenced in this act, and update that
38 project list with all authorized transfers under this section.

1 (3) At the time the department submits a request to transfer
2 funds under this section, a copy of the request must be submitted to
3 the transportation committees of the legislature.

4 (4) Before approval, the office of financial management shall
5 work with legislative staff of the house of representatives and
6 senate transportation committees to review the requested transfers in
7 a timely manner.

8 (5) No fewer than ten days after the receipt of a project
9 transfer request, the director of the office of financial management
10 must provide written notification to the department of any decision
11 regarding project transfers, with copies submitted to the
12 transportation committees of the legislature.

13 (6) The department must submit annually as part of its budget
14 submittal a report detailing all transfers made pursuant to this
15 section.