

# Welcome to the Gateway Executive Committee Meeting

## We'll start soon.

While you're waiting...

- Make sure your audio is working. If your computer doesn't have a mic, you can call in on your phone.
- Find the chat box! If you want to write instead of talk, that's the way to do it.

# Can you hear me?

If not, something is wrong with your audio.



Let us know using the **Chat** box,  
then **call in** on your phone. I've pasted the call-in  
numbers in the **Chat** box.

# Ground rules

- Mute yourself when you're not speaking (click the space bar to temporarily unmute yourself)
- If you have a question or comment during the presentation, request an opportunity to speak by “raising your hand” or submitting a question in the chat box
  - In order to raise your hand, click the participants icon on your tool bar. The ability to raise and lower your hand is at the bottom of the participants box.
- Say your name before speaking
- If you'd like to ask a question during the meeting without speaking, please use the chat box.

# Puget Sound Gateway Program

## SR 167 and SR 509 Completion Projects

Executive Committee Meeting

June 30, 2020

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PROGRAM ADMINISTRATOR  
DEPUTY PROGRAM ADMINISTRATOR  
DEPUTY PROGRAM ADMINISTRATOR  
SR 509 PROJECT ENGINEER  
SR 167 PROJECT MANAGER

# Agenda

- Objectives:
  - Update on progress to date
  - Discuss current challenges
  - Discuss next steps

# Program Progress

## Puget Sound Gateway Program

# INFRA Application

February 25, 2020



Case	20-Year Evaluation Period		30-Year Evaluation Period	
	Net Present Value (2018 \$)	Benefit-Cost Ratio	Net Present Value (2018 \$)	Benefit-Cost Ratio
SR 509 Completion Project	\$1.56 B	3.64	\$2.12 B	4.60
SR 167 Completion Project	\$0.92 B	2.51	\$1.31 B	3.15
<b>Program Total</b>	<b>\$2.48 B</b>	<b>3.07</b>	<b>\$3.43 B</b>	<b>3.86</b>

# INFRA Grant success!!

- Received \$73.6 million from USDOT
- The Puget Sound Gateway Program integrates the SR 509 and SR 167 Completion Projects to complete “missing links” in the Primary Highway Freight System accessing the Ports of Seattle and Tacoma (NWSA).
- The NWSA ranks as the second-largest port complex in the country for agricultural trade tonnage
- The NWSA fourth-largest container port complex in North America
- NWSA cargo activity employs over 58,000 people and supports goods movement from every corner of the state. Forty percent of all jobs in Washington are tied to trade.
- The warehousing and distribution centers in S. King and Pierce Counties are the 4<sup>th</sup> largest in the nation
- Federal investment in the Puget Sound Gateway Program is important to the American economy. More than 90 percent of exports by value arrive by truck at the region’s ports.
- Outside of Washington, the majority of NWSA export cargo by value originates from: Wisconsin Minnesota Iowa Nebraska South Dakota Montana Idaho California Oregon

# Federal grants

- Nationwide INFRA \$73.6 million (\$98.4 request)
- PSRC SR 509 SeaTac Access \$4.5 million
- PSRC SR 167 Hylebos to Alexander Trail \$1.02 million (pending)

# INFRA accountability measures

The State agreed to two accountability measures: if (1) the State does not begin and complete construction for each of two separate construction components by dates specified in the application or (2) the improved facilities do not, by specific dates in the application, achieve freight speed performance of at least 45 mph 90 percent of the time, then the project will be subject to forfeit or return of up to 10 percent of the awarded funds

Proposed Performance and Accountability Metrics for INFRA Grant Availability		INFRA Program Goals Supported
<b>(1) Meeting specific construction start and completion dates</b>		<ul style="list-style-type: none"> <li>• <b>Reduced project delivery delays:</b> Receipt of INFRA funds closes the funding gap and facilitates the Legislature's direction to accelerate the Program acceleration by three years to meet milestone targets.</li> <li>• <b>Freight Movement and Economic Vitality:</b> Staged construction provides earlier mobility benefits for goods and people, promoting jobs and a stronger economy via connections to I-5 and I-90, the major freight corridors linking rural agricultural communities to domestic and international markets.</li> <li>• <b>System Reliability:</b> Variable tolling of the new SR 509 and SR 167 roadways by time of day helps to manage the attraction of trips from other facilities, thereby maintaining reliable travel times and minimizing congestion.</li> <li>• <b>Environmental Sustainability:</b> Managing traffic demand using tolling allows full implementation of Practical Solutions, right sizing the project footprint to sustainably manage capacity into the future.</li> </ul>
<i>Triggering Event – BEGIN AND END OF CONSTRUCTION</i>	<i>Target Deadline</i>	
• Issue NTP for SR 509 Stage 1 D-B contract	Q2 2021	
• Issue NTP for SR 167 Stage 1 D-B contract	Q1 2022	
• Substantial Completion of SR 509 Stage 2 D-B contract	Q3 2028	
• Substantial Completion of SR 167 Stage 2 D-B contract	Q3 2028	
<b>(2) Achieving a specific indicator of project success within 12 months of project completion</b>		
<i>Triggering Event – FREIGHT SPEED AND RELIABILITY</i>	<i>Target Deadline</i>	
• Achieve 45+ mph 90% of the time on SR 509 Stage 1	Q3 2026	
• Achieve 45+ mph 90% of the time on SR 167 Stage 1	Q1 2027	
• Achieve 45+ mph 90% of the time on SR 509 Stage 1 and 2 (full corridor)	Q1 2029	
• Achieve 45+ mph 90% of the time on SR 167 Stage 1 and 2 (full corridor)	Q1 2029	

<https://www.wsdot.wa.gov/projects/gateway/puget-sound-gateway-program-infra-grant-application>

# Local contributions

Grant Assumptions	App Year	Planned	Grant Obtained
Interurban Trail	2017	\$1,400,000	✓
FMSIB 70th Ave E	2018	\$5,000,000	✓
PSRC Port of Tacoma Spur	2018	\$4,000,000	✓
PSRC Veterans Extension	2018	\$4,000,000	✓
TIB 70th Ave E	2019	\$4,000,000	✓
PSRC SR 509 SeaTac Access	2018	\$4,500,000	✓
Federal INFRA (local share)	2020	\$15,000,000	✓
TIB Veterans Extension	2020	\$3,000,000	
FMSIB SR 167 Stage 2	2021	\$4,000,000	
PSRC SR 167 Stage 2	2022	\$4,000,000	
Additional Stage 2 Grants	2023	\$5,000,000	
<b>Total Grants Obtained</b>		<b>\$37,900,000</b>	
<b>Total Grants Planned</b>		<b>\$16,000,000</b>	
<b>Direct Local Contributions</b>		<b>\$76,100,000</b>	
<b>STRATEGY TOTAL</b>		<b>\$130,000,000</b>	



# SR 509 Update

SR 509 Stage 1a moving forward

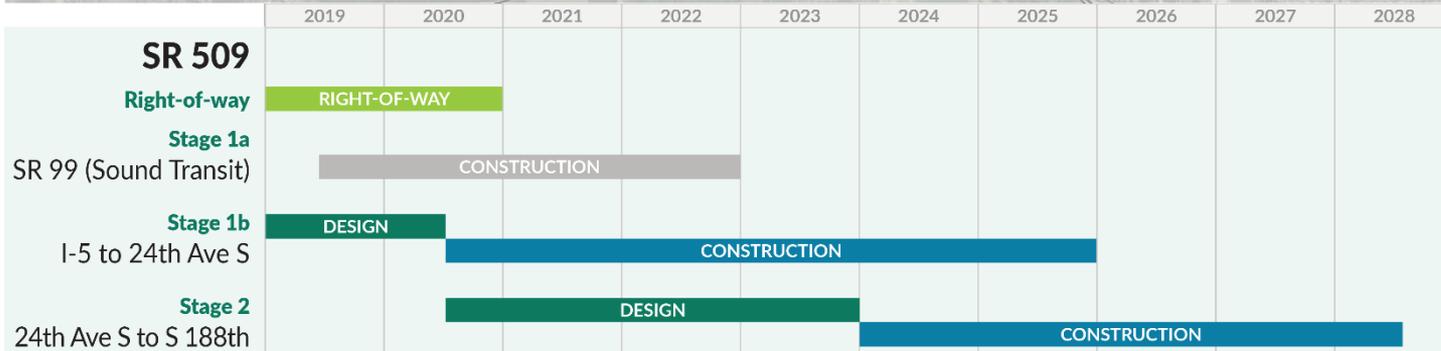
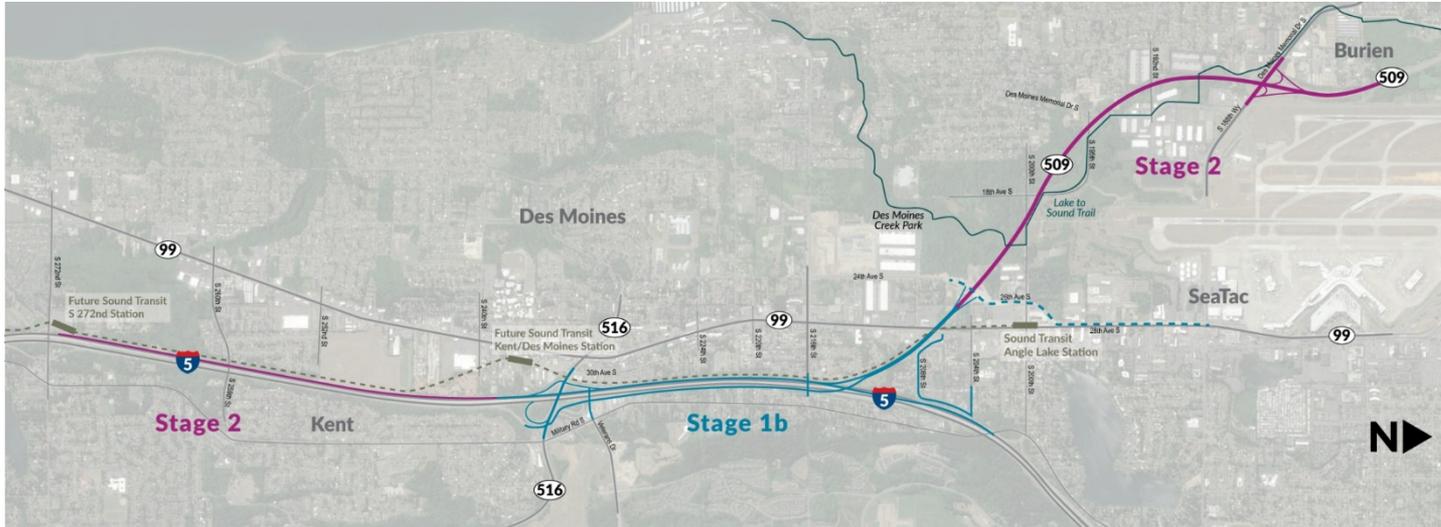
- Construction agreement with Sound Transit's Federal Way Link Extension project will build the SR 99 Bridge and retaining walls along I-5
- Coordinating on noise walls and drainage
- Working with Sound Transit and Seattle Public Utilities on Midway Landfill



SR 509 Stage 1b (I-5 to 24<sup>th</sup> Ave S)

- RFP issued May 12<sup>th</sup>
- Three contractors preparing proposals
- D-B contract award scheduled for December

# SR 509 construction stages



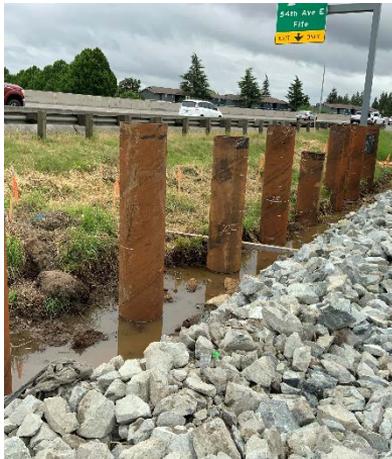
# SR 167 update

SR 167 Stage 1a (70<sup>th</sup> Avenue bridge) progress:

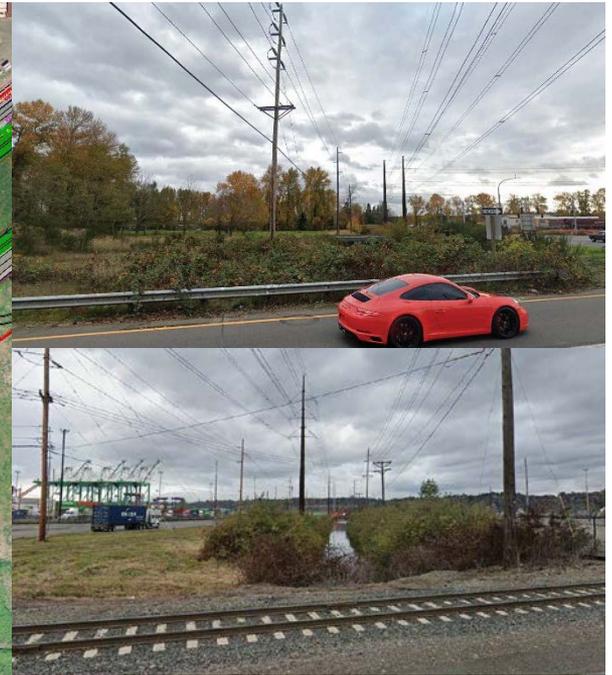
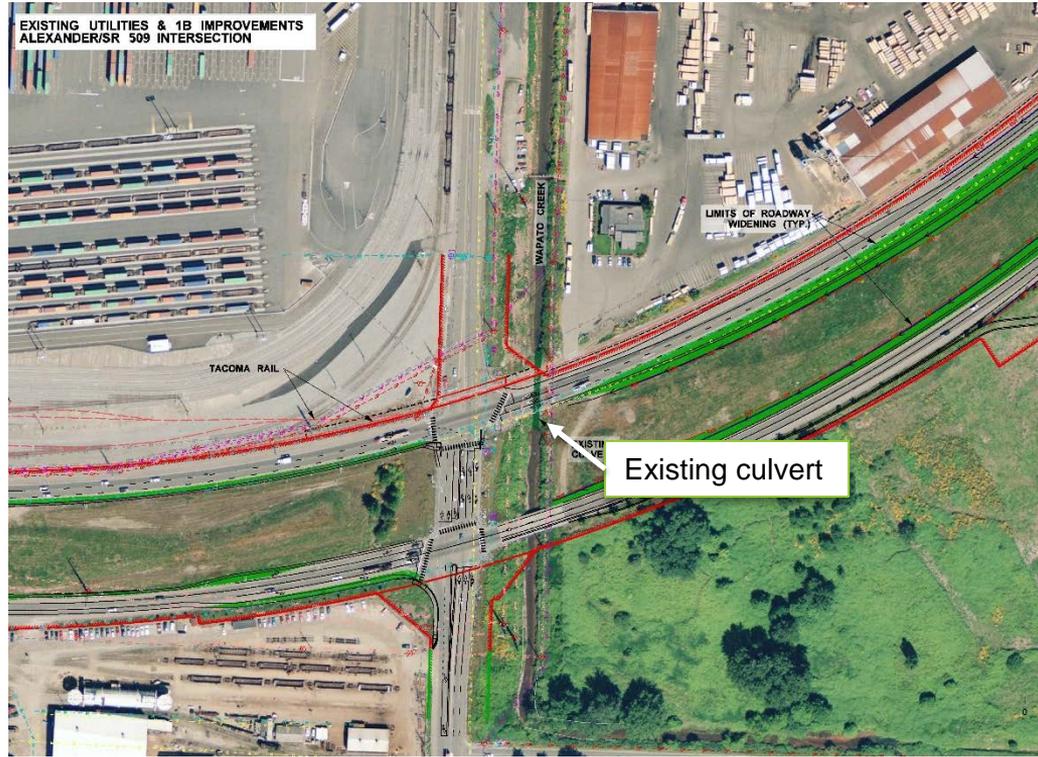
- Girders for 70<sup>th</sup> Avenue bridge are fabricated.
- Completed piledriving, first visible sign of building the bridge.
- Roundabout construction has begun.
- Existing 70<sup>th</sup> Avenue East bridge to remain until Stage 1b

SR 167 Stage 1b (I-5 to SR 509)

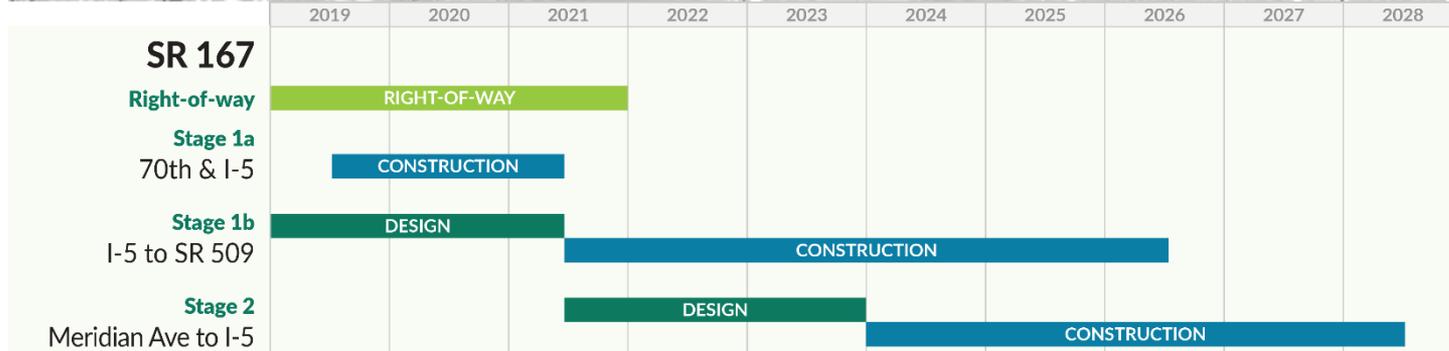
- Preparing Joint Aquatic Resource Permit Application (JARPA) package
- Preparing RFQ and RFP documents
- Wapato Creek fish barrier new scope



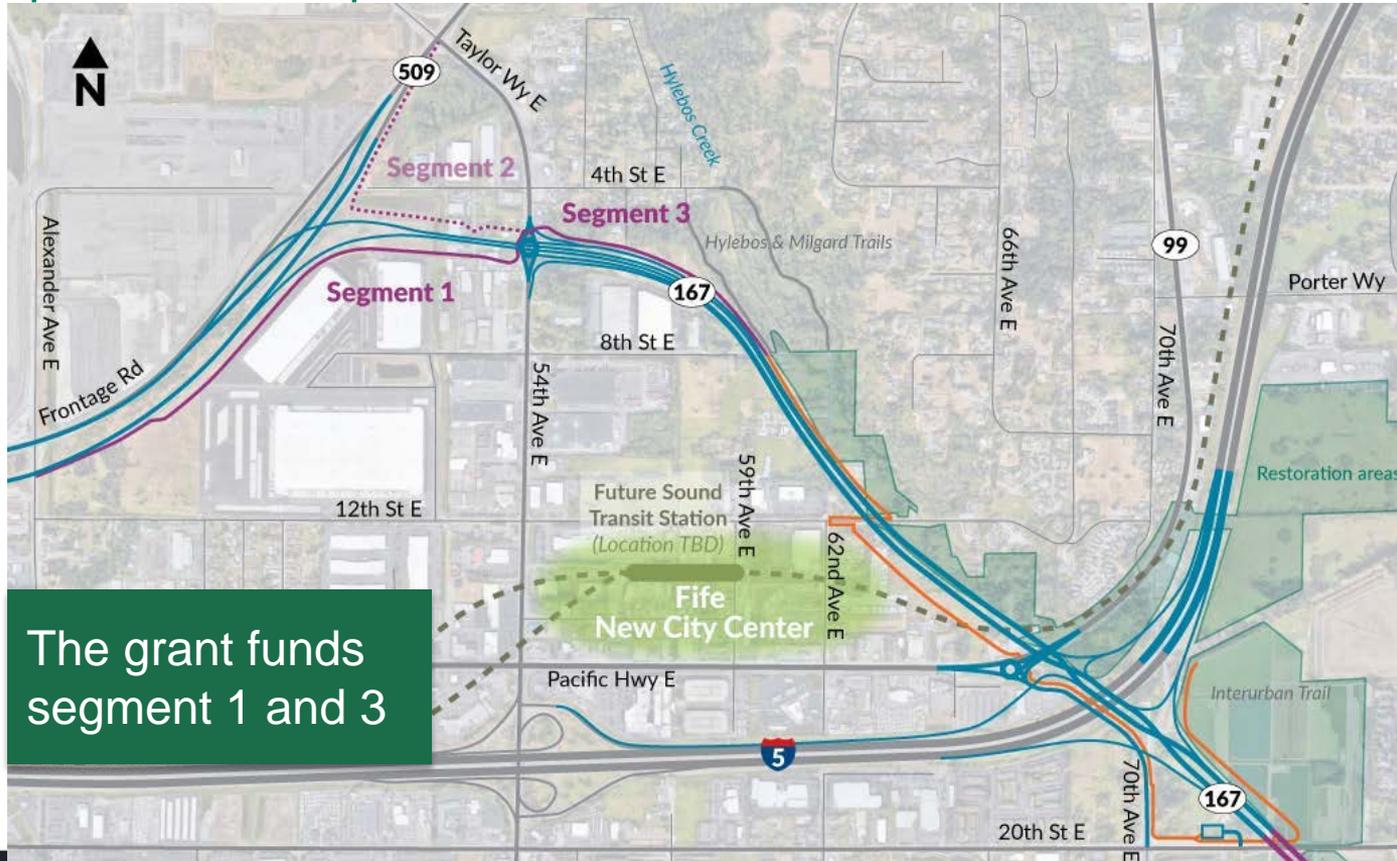
# Wapato Creek Fish barrier



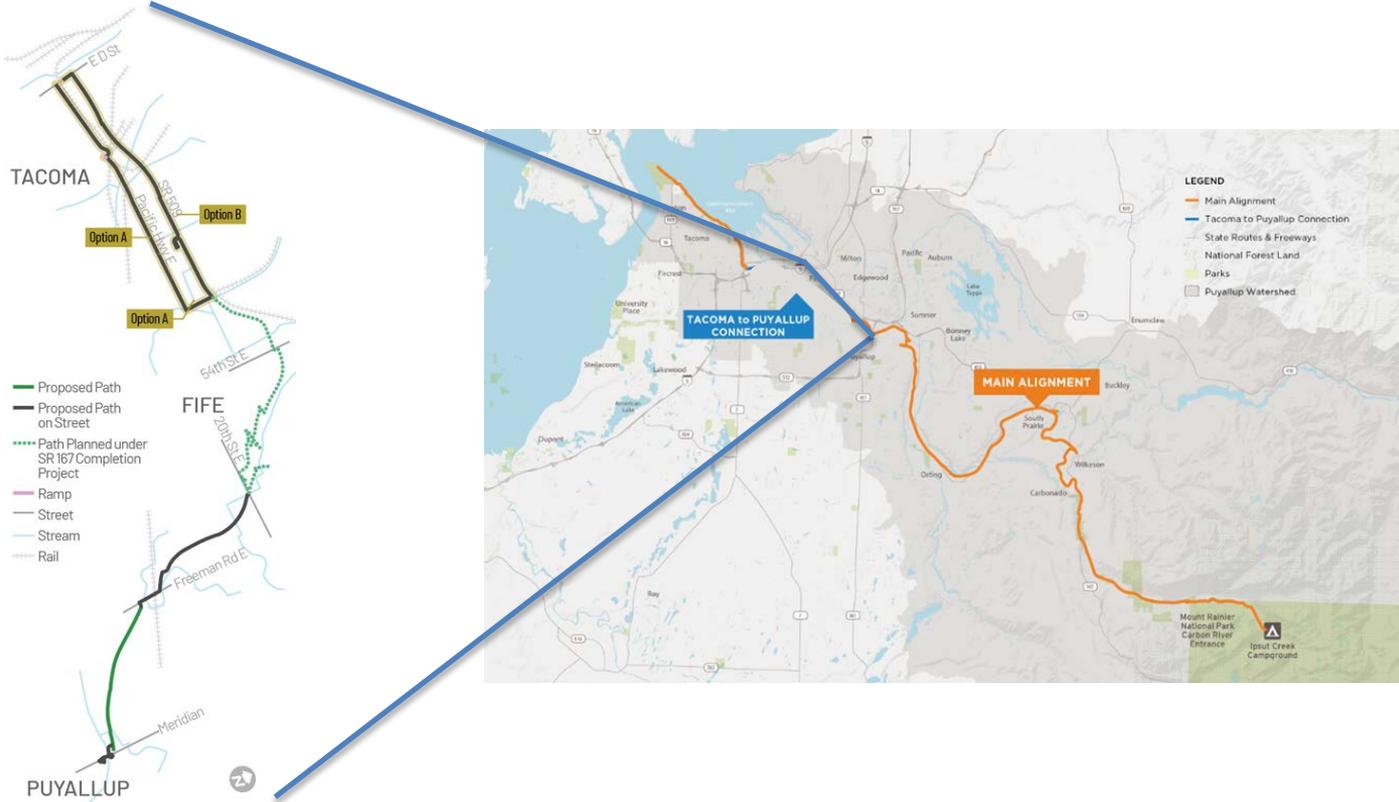
# SR 167 construction stages



# Hylebos to Alexander trail – Fife/Tacoma/WSDOT partnership



# Tacoma to Puyallup Trail connection



# Challenges

# Revenue challenges

## *Will there be a “new normal?”*

Financial implications of Stay Home orders

- Experienced significant reductions in travel (March, April):
  - Vehicle traffic – dropped 45% average
  - Ferries ridership – dropped 75% average
  - Transit ridership – dropped 75% average
  - Amtrak Cascades ridership – dropped 95% average
  - Use of toll facilities – dropped 42-77%
- Projects suspended for safety will incur costs to restart
- 85% of our budget comes from state revenue sources and bonds
- COVID-19 Multimodal Transportation System Performance Dashboard
  - [www.wsdot.wa.gov/about/covid-19-transportation-report/](http://www.wsdot.wa.gov/about/covid-19-transportation-report/)



# Revenue challenges in the “new normal”

Many demands while revenue is down

- COVID-19: Estimated fuel tax revenue loss for transportation agencies is \$100 million per month
- I-976: Estimated \$360 million revenue loss in 2019-2021 budget
- Fish passage federal obligations: \$3.1 billion needed through 2030
- Seismic retrofit: at least \$1.5 billion needed to protect bridges in Western Washington
- Maintenance and preservation: \$7 billion needed through 2030

WSDOT’s immediate actions:

- Stayed on winter ferry schedule due to significant passenger reductions
- Deferring both permanent and non-permanent new hires
- Discontinuing out-of-state travel
- Suspending new consultant contracts and task orders
- Holding off Transportation Equipment Fund and other major purchases
- Working with Congressional delegation to request federal funding backfill for lost revenues

Preparing recommendations for the Governor and the Legislature

- Reductions to WSDOT operating programs
- Deferrals of capital investment
- Pivot to respond to lessons from COVID-19

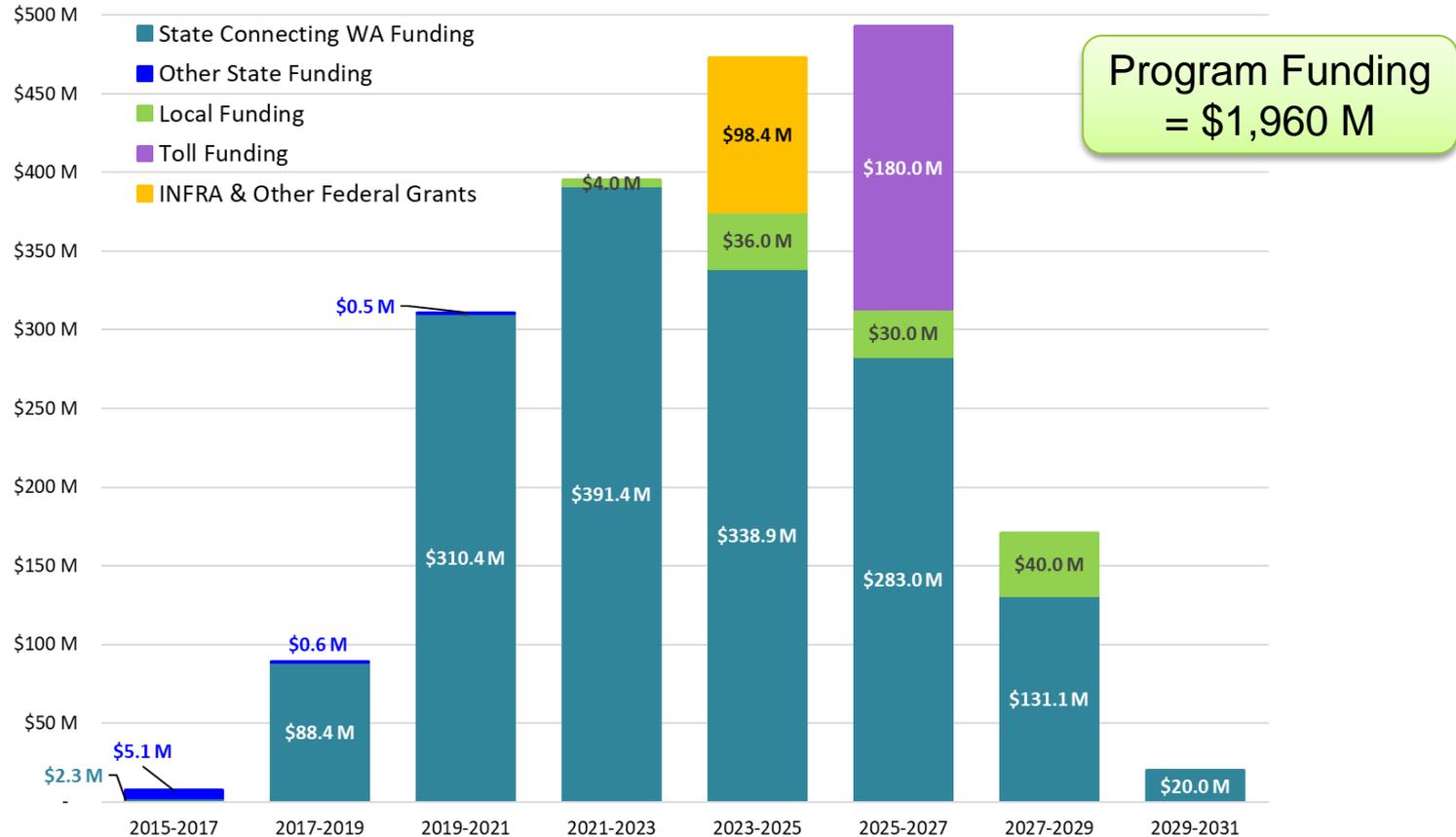
# Transportation revenue impacts

- Each quarter, the Transportation Revenue Forecast Council (TRFC) incorporates the initial economic effects of COVID-19 and reflects the full impact of I-976 on transportation revenue.
- Total revenue loss to address over next three years is \$1.3 billion.
  - \$483 million transportation revenue deficit to address in this biennium (2019-2021).
  - \$859 million to address in 2021-2023 biennium.
- Over the next three years, toll revenue is projected to be down \$170 million or 28% statewide compared to last projection.
- We were required to provide a 15% reduction to OFM via our budget submittal.

# Gateway Program design-build contracts

D-B CONTRACTS	STAGE 1a	STAGE 1b	STAGE 2
SR 509	underway	May 2020 RFP	2023 RFQ
SR 167	underway	Fall 2020 RFQ	2023 RFQ

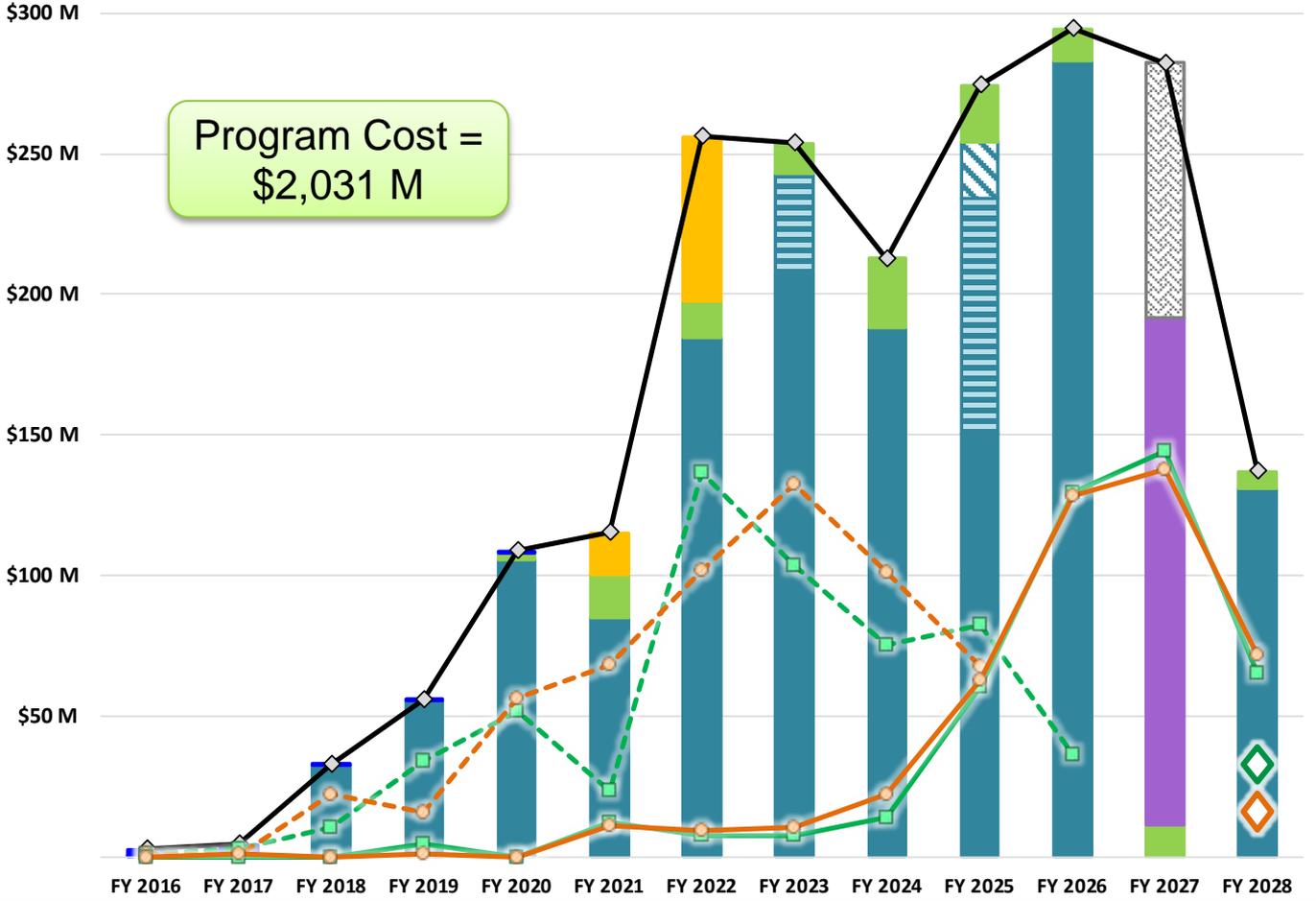
# Puget Sound Gateway Funding | 2020 Budget



Note: "Local Funding" as shown totals \$110 M, with another \$20 M of local funding expected to come from a federal national discretionary grant program, shown within "INFRA & Other Federal Grants".

# Gateway Financial Plan sources and uses of funds

- CWA - State
- CWA - State (Deferred)
- CWA - State (Leveraged)
- CWA Local
- CWA - Toll Funding
- Other State
- INFRA Grant
- Other New Funding TBD
- Total Capital Expenditures
- SR 509 Stage 1
- SR 167 Stage 1
- SR 509 Stage 2
- SR 167 Stage 2
- SR 509 Fully Operational
- SR 167 Fully Operational



# Interlocal Agreement timeline

Construction Stage	ILA Deadline	ILAs Needed
SR 167 Stage 1a	End of 2018	<ul style="list-style-type: none"> <li>• Fife Interurban ✓</li> <li>• Port of Tacoma ✓</li> <li>• Tacoma ✓</li> </ul>
SR 509 Stage 1b	End of 2019	<ul style="list-style-type: none"> <li>• Des Moines ✓</li> <li>• Kent ✓</li> <li>• King County ✓</li> <li>• Port of Seattle ✓</li> <li>• SeaTac ✓</li> </ul>
SR 167 Stage 1b	End of 2020	<ul style="list-style-type: none"> <li>• Edgewood (in process)</li> <li>• Fife ✓</li> <li>• Port of Tacoma (in process)</li> <li>• Tacoma ✓</li> </ul>
SR 509 Stage 2	End of 2022	<ul style="list-style-type: none"> <li>• SeaTac</li> <li>• Port of Seattle</li> </ul>
SR 167 Stage 2	End of 2022	<ul style="list-style-type: none"> <li>• Pierce County</li> <li>• Puyallup</li> <li>• Sumner</li> </ul>

# Potential federal stimulus actions

- American Association State Highway Transportation Officials (AASHTO) requested \$50 billion for state department of transportations to address impacts from COVID19
- Heroes Act passed out of House, now at Senate - with no intention to consider
  - Includes \$15 billion for FHWA to distribute to the states via current FAST Act formula—money that could be used for construction and operational and administrative expenses incurred by state DOTs
  - The bill includes an additional \$500 billion in direct relief to the states, which governors could also decide to use to help shore up their transportation programs
  - Revenue backfill is the focus of this bill

# INVEST in America Act

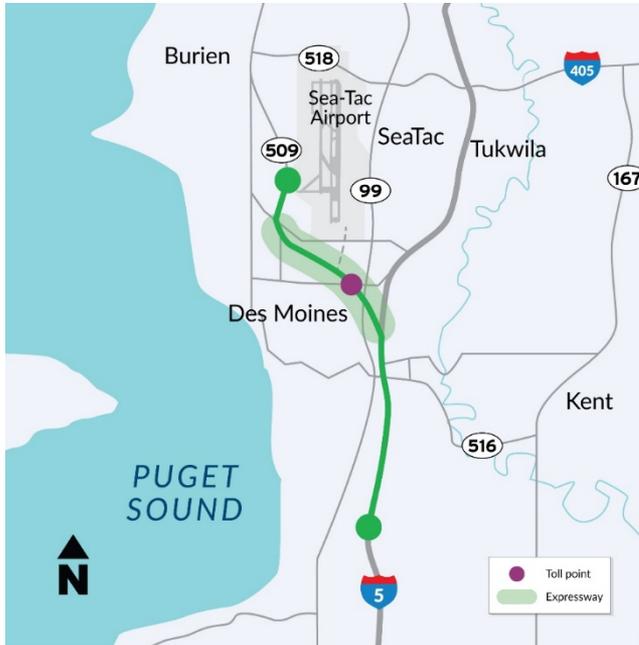
## *Investing in a New Vision for the Environment and Surface Transportation in America*

- House Transportation & Infrastructure Committee, under Chairman Peter DeFazio (D-OR), passed out of committee the “Investing in a New Vision for the Environment and Surface Transportation in America (INVEST in America) Act” would provide a total of \$494 billion over five years for investments in capital infrastructure improvements such as roads, bridges, and transit and rail systems.
- Provides \$411 billion over five years out of the Highway Trust Fund for highway, transit, safety, and research programs, a 46 percent increase over current investment levels
- The INVEST Act now going to full House

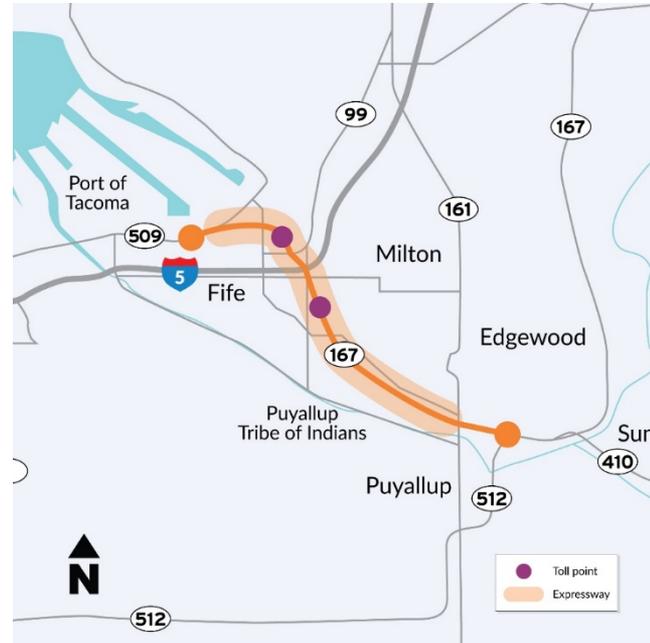
# Next Steps

# Expressway naming

## SR 509



## SR 167 & SR 509 Spur



# Expressway naming examples

Naming convention	State	Number of times naming used
Beltway	Pennsylvania	1
Bypass	Pennsylvania	1
Connector	Florida, Maryland, New York, South Carolina, Texas	6
Causeway	Utah	1
Expressway	Alabama, California, Florida, Louisiana, New Jersey, North Carolina, Pennsylvania, Puerto Rico, Texas, Virginia	24
Express	Alabama	1
Extension	Florida	1
Greenway	Virginia	1
Parkway	Alabama, Colorado, Florida, New Jersey, South Carolina, Texas, Utah, Virginia	22
Skyway	Illinois	1
Thruway	New York	2
Toll Road	California, Indiana, Texas, Virginia,	9
Tollway	Florida, Illinois, Texas	13
Turnpike	Delaware, Florida, Kansas, Maine, Massachusetts, New Hampshire, New Jersey, Ohio, Oklahoma, Pennsylvania, Texas, West Virginia	25

# Expressway naming update

- RCW 47.56.897 Puget Sound Gateway facility account legislation directed the following:
  - *...clarify how the tolling of state route number 167 and state route number 509 will be implemented by requiring the transportation commission and the department of transportation to consider naming the sections of each facility where all of the lanes are tolled as the state route number **167 expressway and the state route number 509 expressway respectively.***
- Met with WSTC Toll Subcommittee and confirmed the use of expressway.
- Gateway program will present at **July 21 WSTC** meeting.

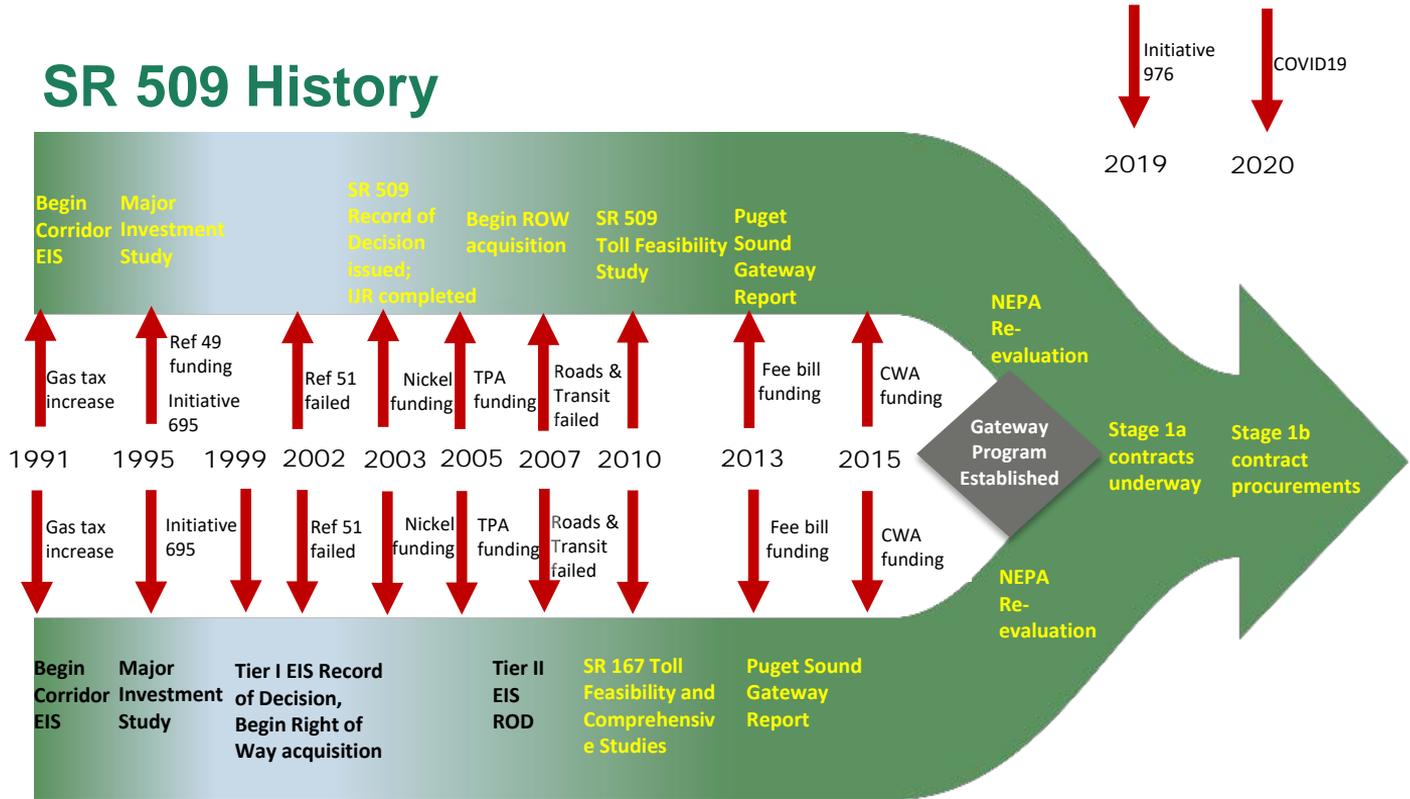


## Next steps

- Potential federal stimulus
- Transportation budget updates
  - Will project schedules be affected?
- Washington State Transportation Commission meeting in July
- Next Executive Committee in fall

# Wrap up

# SR 509 History



# SR 167 History

Craig's thank you



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