

FINAL BILL REPORT

ESHB 3096

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Synopsis as Enacted

Brief Description: Financing the state route number 520 bridge replacement project.

Sponsors: By House Committee on Transportation (originally sponsored by Representatives Clibborn and McIntire; by request of Governor Gregoire).

House Committee on Transportation
Senate Committee on Transportation

Background:

The State Route 520 (SR 520) Evergreen Point Bridge is a one and a half mile, 42-year-old bridge crossing Lake Washington in King County. The bridge is scheduled for replacement due to its vulnerability to seismic activity and storm events. In addition to the deteriorating physical condition, the bridge lacks shoulders for disabled and emergency vehicles and experiences considerable amounts of congestion.

Legislation passed during the 2007 session directed the Office of Financial Management to hire a mediator and appropriate planning staff to develop a project impact plan for addressing the impacts of the project design on Seattle city neighborhoods and parks, including the Washington park arboretum, and institutions of higher education. The mediator was directed to provide to the Joint Transportation Committee and the Governor a progress report by August 1, 2007, and a final project impact plan by December 1, 2008.

In that same legislation, the project design is described as having six total lanes, with four general purpose lanes and two lanes that are for high occupancy vehicle travel that could also accommodate high capacity transportation, including bus rapid transit. The bridge must also be designed to accommodate light rail in the future.

As a project in the Regional Transportation Investment District (RTID) proposal, the SR 520 bridge would have received state sales tax paid on the project. This sales tax rebate had been considered as revenue to the project. However, given voters recent rejection of the RTID funding package, a sales tax rebate is no longer available to the SR 520 bridge project. Additionally, the project will not receive \$1.1 billion that would have been provided through the RTID funding package.

In 2007 the Washington State Department of Transportation (WSDOT) was awarded a grant from the U.S. Department of Transportation's Congestion Initiative, known as the Lake Washington Urban Partnership. The grant provided \$139 million, of which \$86 million was provided for active traffic management (such as traveler information and speed harmonization) and variable tolling on the SR 520 bridge. All but \$1.6 million of the grant is

only accessible once a variable tolling policy has been approved, legal authority exists for tolling to commence, and variable tolling is implemented on the SR 520 bridge project.

Summary:

The design of the SR 520 Bridge Replacement and High Occupancy Vehicle (HOV) project must include six total lanes, with two lanes for transit and HOV use and four general purpose lanes. The project must also be designed to accommodate effective connections for transit, including high-capacity transit, to the light rail station at the University of Washington.

The finance plan for the SR 520 Bridge Replacement and HOV project must include recognition of revenue sources that include:

- \$1.7 billion in state and federal funds;
- \$1.5 to \$2 billion in tolling revenue, including revenue from early tolls that could begin in late 2009;
- \$85 million in federal urban partnership funds; and
- contribution from private and other governmental sources.

The finance plan must also include recognition of savings from:

- early construction of traffic improvements on SR 520 between the eastern shore of Lake Washington and 108th Avenue Northeast in Bellevue;
- early construction of a single string of pontoons that support two lanes for transit and HOV use and four general purpose lanes;
- preconstruction tolling to reduce total financing costs; and
- a deferral of the sales taxes paid on construction of the project.

A SR 520 tolling implementation committee (Committee) is formed, consisting of three members, the Puget Sound Regional Council Executive Director, the Secretary of the WSDOT or his or her designee, and a member of the Washington State Transportation Commission from King County. The Committee must evaluate various issues relating to the SR 520 bridge replacement project, including the form the tolling may take, traffic diversion, tolling and traffic management technology, and partnership opportunities, and also must survey citizens about the project. A report is due from the Committee to the Governor and Legislature by January 2009.

The WSDOT may seek approval from the Legislature to begin tolling on the existing SR 520 bridge and its replacement only after the Committee has submitted its report. The WSDOT must also work with the Federal Highways Administration to determine what steps would be needed to toll the Interstate 90 bridge. The State Transportation Commission must set the toll rates for the facility, and the WSDOT must determine the method of collection.

State and local sales and use tax due on site acquisition, construction, and equipment related to the SR 520 bridge replacement project may be deferred until five years after the project is open to traffic, and is then due in equal yearly installments over the next decade.

Notes on Final Passage:

House	63	30	
Senate	29	19	(Senate amended)
House	62	31	(House concurred)

Effective: June 12, 2008