

HOUSE BILL REPORT

ESSB 6392

As Passed House - Amended:

March 2, 2010

Title: An act relating to the use of revenue generated from tolling the state route number 520 corridor.

Brief Description: Clarifying the use of revenue generated from tolling the state route number 520 corridor.

Sponsors: Senate Committee on Transportation (originally sponsored by Senators Tom, Swecker, Oemig, Holmquist, Jacobsen, Haugen and Marr).

Brief History:

Committee Activity:

Transportation: 2/22/10, 2/24/10 [DPA].

Floor Activity:

Passed House: 3/2/10, 78-19.

**Brief Summary of Engrossed Substitute Bill
(As Amended by House)**

- Allows the use of the proceeds from the State Route (SR) 520 bridge toll-backed bonds to be spent on any aspect of the SR 520 bridge replacement and high occupancy vehicle (HOV) program.
- Requires \$200 million in bond proceeds to be spent only on the floating bridge and the west side of the corridor, and allows the use of these funds for effective connections for HOVs and transit to the extent these connections benefit or improve the operation of the SR 520 corridor.
- Adds multiple elements to the SR 520 corridor program including HOV lane standards; work groups on alternative transit connections to the University Link light rail line, planning and financing for high capacity transit in the corridor, design refinements, and Arboretum mitigation; and an account into which civil penalties generated on the SR 520 must be deposited, which can fund any project within the SR 520 program including mitigation.
- Requires the floating bridge portion of the project to have a total height from the water to the top of the bridge rail of not more than 20 feet if the project is funded by revenue generated by tolling the corridor.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass as amended. Signed by 18 members: Representatives Clibborn, Chair; Lias, Vice Chair; Armstrong, Campbell, Dickerson, Eddy, Finn, Flannigan, Johnson, Moeller, Nealey, Sells, Simpson, Springer, Takko, Upthegrove, Williams and Wood.

Minority Report: Do not pass. Signed by 8 members: Representatives Roach, Ranking Minority Member; Rodne, Assistant Ranking Minority Member; Driscoll, Erickson, Herrera, Klippert, Kristiansen and Shea.

Staff: David Munnecke (786-7315).

Background:

The State Route (SR) 520 Evergreen Point Bridge is a 1.5 mile, 47-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 congestion.

Since 2008 the project design for any SR 520 replacement facility has been required to have six total lanes, with four general purpose lanes and two lanes that are for high occupancy vehicle (HOV) travel and transit. The design must also accommodate effective connections for transit, including high capacity transit, to the light rail station at the University of Washington.

During the 2009 legislative session, Engrossed Substitute House Bill 2211 was enacted, authorizing the initial imposition of tolls on the SR 520 corridor (defined as the area between Interstate 5 and SR 202) to be charged only for travel on the floating bridge portion of the corridor. The use of toll-backed bond proceeds was limited to the construction of the replacement floating bridge and necessary landings.

Summary of Amended Bill:

Bond proceeds, backed by revenue generated from tolls on the SR 520 corridor, may be used for any project within the SR 520 bridge replacement and HOV program, including projects beyond the replacement floating bridge. However, \$200 million in bond proceeds must be used only to fund the floating bridge and the west side of the corridor. This \$200 million may be used for effective connections for HOVs and transit, but only to the extent these connections benefit or improve the operation of the SR 520 corridor.

The corridor program must include the following elements, consistent with the legislatively identified total project cost of \$4.65 billion and an opening date for vehicular traffic on the bridge of 2014:

- a minimum carpool occupancy of 3+ persons on the SR 520 HOV lanes;
- HOV lane performance standards;

- a work group convened by the mayor and city council to study alternative transit connections to the University Link light rail line that are within the scope of the supplemental draft environmental impact statement;
- a work group convened by the Washington State Department of Transportation (WSDOT) to make recommendations regarding options for planning and financing high capacity transit through the corridor;
- a mitigation plan for the Washington Park Arboretum;
- a work group convened by the WSDOT to make recommendations regarding design refinements to the WSDOT's preferred alternative; and
- an account into which civil penalties, and the investment earnings thereon, for failing to pay tolls on the corridor are deposited, to be used for any project within the corridor, including mitigation.

The floating bridge portion of the project is required to have a total height from the water to the top of the bridge rail of not more than 20 feet if the project is funded by revenue generated by tolling the corridor.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) The replacement of the SR 520 floating bridge and the reconstruction of the SR 520 corridor are vital for the mobility of the region. It will allow for the connection of the HOV and transit systems, which allows the area to remain competitive. The people of the region have been faced with gridlock for the last 13 years, both on the roads and in the bridge replacement process. The SR 520 bill is also a jobs bill in that it provides up to 5,000 jobs at a time when the construction industry is reeling. It is time to get moving so that both people and commerce can move forward.

Transportation is the lifeblood of this state. It is necessary for economic activity and employment, and the SR 520 corridor is one of the most important transportation corridors in the state. The replacement bridge is necessary in order to provide links between important communities and research sectors, and many high wage jobs and continued innovation in the economy are thus dependent on the reconstruction of this corridor. After almost a decade and a half, it is past time to build the bridge, and this bill should provide sufficient revenue to move forward with the projects that are ready to go on the eastside while the westside discussion continues to occur.

The expected toll rate on this project is reasonable, and should be kept at that expected rate. There will be 50,000 hours of bus service added to the corridor plus the HOV connection, so people will have choices that will allow them to avoid paying the toll.

The market in construction is flat. The bid climate and material costs are both down right now, so this is the perfect time to move forward on this project and take advantage of the market conditions.

There have been 23 straight months of decline in construction employment, and unemployment in the construction sector is now between 30 percent and 35 percent. It may be three to five years until construction spending bounces back, and money spent in construction at this time will help many areas of Washington. Construction dollars are spent in the community by the workers and the vendors, and thus invested in the community. Construction is also limited in terms of how much can be outsourced overseas. The project labor agreement regarding the construction of the pontoons will put people to work in Grays Harbor and a similar agreement is being worked on to do the same thing in King County. The fact that this project occurs over land and water also means that many different types of workers will be involved.

(In support with concerns) Now is a good time to make investments in the SR 520 corridor. It will provide real benefit to the users and there is currently a very competitive bid climate.

The work group created under section (iii) will be working outside the Environmental Impact Statement (EIS), which is a source of concern because of the resulting potential to expand the EIS process. The westside project and the floating bridge portion of the project are on a joint EIS, so the bridge could be delayed as well.

(Opposed) None.

Persons Testifying: (In support) Mayor John Marchione, City of Redmond; Grant Dessinger, City of Bellevue; Nancy Hiteshue, Washington Roundtable; Dave Johnson, Washington State Building and Construction Trades Council; Rick Bender, Washington State Labor Council; Lee Newgent, Seattle Building and Construction Trades Council; Dave Overstreet, Automobile Association of America; and Brad Boswell, Greater Seattle Chamber of Commerce.

(In support with concerns) David Dye, Washington State Department of Transportation.

Persons Signed In To Testify But Not Testifying: None.