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HOUSE BILL 2717

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State of Washington                      64th Legislature                      2016 Regular Session

By Representatives Young, Orcutt, Muri, and Harmsworth

Read first time 01/19/16. Referred to Committee on Transportation.

1            AN ACT Relating to directing the department of transportation to  
2 identify opportunities and, if appropriate, submit an invitation for  
3 bids or request for proposals to contract with concessionaires to  
4 operate on and collect tolls for the Tacoma Narrows bridge; amending  
5 RCW 47.56.030, 47.56.077, and 47.56.165; reenacting and amending RCW  
6 47.56.010; adding a new section to chapter 47.56 RCW; creating new  
7 sections; and providing a contingent expiration date.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

9            NEW SECTION.    **Sec. 1.** This act may be known and cited as the  
10 Tacoma Narrows bridge toll by coffee act.

11            NEW SECTION.    **Sec. 2.** The legislature finds that other states  
12 have leased land surrounding toll booths to concessionaires to create  
13 toll plazas that provide food, goods, or rest areas to drivers. Such  
14 private enterprises are allowed to build buildings and parking  
15 spaces, provide for commuter throughput, and make modifications to  
16 sell goods and services as long as they also collect the tolls for  
17 the road in an efficient manner. Because the Tacoma Narrows bridge  
18 has unique financing issues that may necessitate significant  
19 increases in tolls on the bridge in the future, it is the intent of  
20 the legislature to direct the department of transportation to assess

1 and identify what steps need to be taken to create an economic  
2 opportunity involving the private sector that can result in  
3 reductions to administrative costs or result in additional revenue  
4 generated to minimize potential toll rate increases for the Tacoma  
5 Narrows bridge. The legislature also intends to provide an  
6 opportunity for private sector resources to assist in the payment and  
7 operations of the Tacoma Narrows bridge.

8 **Sec. 3.** RCW 47.56.010 and 2010 c 249 s 1 are each reenacted and  
9 amended to read as follows:

10 As used in this chapter:

11 (1) "1950 Tacoma Narrows bridge" means the bridge crossing the  
12 Tacoma Narrows that was opened to vehicle travel in 1950.

13 (2) "Electronic toll collection system" means a system that  
14 collects tolls by crediting or debiting funds from a customer's  
15 unique prepaid tolling account.

16 (3) "Photo toll" means a toll charge associated with a particular  
17 vehicle that is identified by its license plate. A photo toll may be  
18 paid through one of the following methods:

19 (a) A customer-initiated account that is prepaid or postpaid.

20 (b) In response to a toll bill that is sent to the registered  
21 owner of the vehicle incurring the photo toll charge. The toll bill  
22 may designate a toll payment due date for the photo toll assessed.

23 (4) "Photo toll system" means a camera-based imaging system that  
24 uses digital video or still image formats to record license plate  
25 images of vehicles using toll lanes for the purpose of collecting a  
26 photo toll.

27 (5) "Toll booth" means a booth, as at a bridge or the entrance of  
28 a toll road, where a toll is collected. A toll booth need not be  
29 limited to the collection of tolls.

30 (6) "Toll bridge" means a bridge constructed or acquired under  
31 this chapter, upon which tolls are charged, together with all  
32 appurtenances, additions, alterations, improvements, and replacements  
33 thereof, and the approaches thereto, and all lands and interests used  
34 therefor, and buildings and improvements thereon.

35 ((+6+)) (7) "Toll payment due date" means the date when a toll  
36 must be paid to avoid a toll violation civil penalty. The toll  
37 payment due date is eighty days from the date the vehicle uses the  
38 toll facility and incurs the toll charge.

1        ~~((7))~~ (8) "Toll plaza" means a staffed facility where tolls are  
2 collected and where concessionaires may be allowed to offer goods or  
3 services for retail via a drive-through toll booth or a walk-in  
4 location, or both.

5        (9) "Toll road" means any express highway, superhighway, or  
6 motorway at such locations and between such termini as may be  
7 established by law, and constructed or to be constructed as a limited  
8 access highway under the provisions of this chapter by the  
9 department, and shall include, but not be limited to, all bridges,  
10 tunnels, overpasses, underpasses, interchanges, entrance plazas,  
11 approaches, toll houses, service areas, service facilities,  
12 communications facilities, and administration, storage, and other  
13 buildings that the department may deem necessary for the operation of  
14 the project, together with all property, rights, easements, and  
15 interests that may be acquired by the department for the construction  
16 or the operation of the project, all of which shall be conducted in  
17 the same manner and under the same procedure as provided for the  
18 establishing, constructing, operating, and maintaining of toll  
19 bridges by the department, insofar as those procedures are reasonably  
20 consistent and applicable.

21        NEW SECTION.    **Sec. 4.**    A new section is added to chapter 47.56  
22 RCW to read as follows:

23        The department's economic partnerships program, in consultation  
24 with the toll division, is directed to identify opportunities to  
25 create a toll plaza by leasing, in full or in part, the property upon  
26 which the Tacoma Narrows bridge toll booths are located or contract  
27 with the private sector to operate other businesses while collecting  
28 tolls, or both. The department should contract as needed with  
29 business consultants with knowledge and expertise of how to analyze  
30 and estimate the economic and traffic impacts of creating a toll  
31 plaza and to obtain a detailed analysis of the feasibility and fiscal  
32 implications of a potential lease or contract of the Tacoma Narrows  
33 bridge property surrounding the location of the toll booths,  
34 including the buildings. The analysis should identify the  
35 characteristics of private sector partners who would be able to  
36 successfully undertake a commercial or retail business jointly with  
37 the collection of tolls. The analysis must identify a set of  
38 requirements that form the minimum criteria of any request for  
39 proposals that could be issued such that the result will generate net

1 positive revenues relative to current toll booth operating costs and,  
2 where possible, revenues will be maximized by the department while  
3 also maintaining or improving the toll payer's experience at the toll  
4 booth or toll plaza. If the analysis indicates favorable, sustainable  
5 results for the creation and operation of a toll plaza, the  
6 department must submit an invitation for bids in accordance with the  
7 process established under chapter 43.19 RCW or a request for  
8 proposals in accordance with the process established under RCW  
9 47.56.030. The economic opportunities must always include the  
10 requirement that at least one booth operate solely to receive the  
11 payment of tolls in a timely manner.

12 The department should hold at least one public hearing in the  
13 community where the Tacoma Narrows bridge is located during 2016 as  
14 part of its analysis of the potential opportunity.

15 Any proceeds, separate from tolls, generated by a contract  
16 authorized in this section must be deposited into the Tacoma Narrows  
17 toll bridge account to be expended to pay for the principal and  
18 interest on bonds issued for the construction of the Tacoma Narrows  
19 bridge. Once the bonds have been paid, proceeds must be used for  
20 operations and maintenance of the bridge.

21 By December 1, 2016, the department must provide a report to the  
22 governor and transportation committees of the legislature on the  
23 actions taken by the department in implementing this section.

24 **Sec. 5.** RCW 47.56.030 and 2015 3rd sp.s. c 14 s 7 are each  
25 amended to read as follows:

26 (1) Except as permitted under chapter 47.29 or 47.46 RCW:

27 (a) Unless otherwise delegated, and subject to RCW 47.56.820, the  
28 department of transportation shall have full charge of the planning,  
29 analysis, and construction of all toll bridges and other toll  
30 facilities including the Washington state ferries, and the operation  
31 and maintenance thereof. Building, operating, and maintaining a  
32 Tacoma Narrows bridge toll plaza in accordance with section 4 of this  
33 act is a permitted exception and delegation of authority.

34 (b) The transportation commission shall determine and establish  
35 the tolls and charges thereon.

36 (c) Unless otherwise delegated, and subject to RCW 47.56.820, the  
37 department shall have full charge of planning, analysis, and design  
38 of all toll facilities. The department may conduct the planning,

1 analysis, and design of toll facilities as necessary to support the  
2 legislature's consideration of toll authorization.

3 (d) The department shall utilize and administer toll collection  
4 systems that are simple, unified, and interoperable. To the extent  
5 practicable, the department shall avoid the use of toll booths. The  
6 department shall set the statewide standards and protocols for all  
7 toll facilities within the state, including those authorized by local  
8 authorities.

9 (e) Except as provided in this section, the department shall  
10 proceed with the construction of such toll bridges and other  
11 facilities and the approaches thereto by contract in the manner of  
12 state highway construction immediately upon there being made  
13 available funds for such work and shall prosecute such work to  
14 completion as rapidly as practicable. The department is authorized to  
15 negotiate contracts for any amount without bid under (e)(i) and (ii)  
16 of this subsection:

17 (i) Emergency contracts, in order to make repairs to ferries or  
18 ferry terminal facilities or removal of such facilities whenever  
19 continued use of ferries or ferry terminal facilities constitutes a  
20 real or immediate danger to the traveling public or precludes prudent  
21 use of such ferries or facilities; and

22 (ii) Single source contracts for vessel dry dockings, when there  
23 is clearly and legitimately only one available bidder to conduct dry  
24 dock-related work for a specific class or classes of vessels. The  
25 contracts may be entered into for a single vessel dry docking or for  
26 multiple vessel dry dockings for a period not to exceed two years.

27 (f) Any new vessel planning, construction, purchase, analysis, or  
28 design work must be consistent with RCW 47.60.810.

29 (2) The department shall proceed with the procurement of  
30 materials, supplies, services, and equipment needed for the support,  
31 maintenance, and use of a ferry, ferry terminal, or other facility  
32 operated by Washington state ferries, in accordance with chapter  
33 43.19 RCW except as follows:

34 (a) When the secretary of the department of transportation  
35 determines in writing that the use of invitation for bid is either  
36 not practicable or not advantageous to the state and it may be  
37 necessary to make competitive evaluations, including technical or  
38 performance evaluations among acceptable proposals to complete the  
39 contract award, a contract may be entered into by use of a  
40 competitive sealed proposals method, and a formal request for

1 proposals solicitation. Such formal request for proposals  
2 solicitation shall include a functional description of the needs and  
3 requirements of the state and the significant factors.

4 (b) When purchases are made through a formal request for  
5 proposals solicitation the contract shall be awarded to the  
6 responsible proposer whose competitive sealed proposal is determined  
7 in writing to be the most advantageous to the state taking into  
8 consideration price and other evaluation factors set forth in the  
9 request for proposals. No significant factors may be used in  
10 evaluating a proposal that are not specified in the request for  
11 proposals. Factors that may be considered in evaluating proposals  
12 include but are not limited to: Price; maintainability; reliability;  
13 commonality; performance levels; life-cycle cost if applicable under  
14 this section; cost of transportation or delivery; delivery schedule  
15 offered; installation cost; cost of spare parts; availability of  
16 parts and service offered; and the following:

17 (i) The ability, capacity, and skill of the proposer to perform  
18 the contract or provide the service required;

19 (ii) The character, integrity, reputation, judgment, experience,  
20 and efficiency of the proposer;

21 (iii) Whether the proposer can perform the contract within the  
22 time specified;

23 (iv) The quality of performance of previous contracts or  
24 services;

25 (v) The previous and existing compliance by the proposer with  
26 laws relating to the contract or services;

27 (vi) Objective, measurable criteria defined in the request for  
28 proposal. These criteria may include but are not limited to items  
29 such as discounts, delivery costs, maintenance services costs,  
30 installation costs, and transportation costs; and

31 (vii) Such other information as may be secured having a bearing  
32 on the decision to award the contract.

33 (c) When purchases are made through a request for proposal  
34 process, proposals received shall be evaluated based on the  
35 evaluation factors set forth in the request for proposal. When  
36 issuing a request for proposal for the procurement of propulsion  
37 equipment or systems that include an engine, the request for proposal  
38 must specify the use of a life-cycle cost analysis that includes an  
39 evaluation of fuel efficiency. When a life-cycle cost analysis is  
40 used, the life-cycle cost of a proposal shall be given at least the

1 same relative importance as the initial price element specified in  
2 the request of proposal documents. The department may reject any and  
3 all proposals received. If the proposals are not rejected, the award  
4 shall be made to the proposer whose proposal is most advantageous to  
5 the department, considering price and the other evaluation factors  
6 set forth in the request for proposal.

7 **Sec. 6.** RCW 47.56.077 and 1984 c 7 s 253 are each amended to  
8 read as follows:

9 The department shall not grant concessions for the operation or  
10 establishment of any privately owned business upon toll road rights-  
11 of-way. However, the department may lease or contract with  
12 concessionaires as part of a toll plaza for the Tacoma Narrows bridge  
13 in accordance with section 4 of this act.

14 **Sec. 7.** RCW 47.56.165 and 2009 c 567 s 1 are each amended to  
15 read as follows:

16 A special account to be known as the Tacoma Narrows toll bridge  
17 account is created in the motor vehicle fund in the state treasury.

18 (1) Deposits to the account must include:

19 (a) All proceeds of bonds issued for construction of the Tacoma  
20 Narrows public-private initiative project, including any capitalized  
21 interest;

22 (b) All of the toll charges and other revenues received from the  
23 operation of the Tacoma Narrows bridge as a toll facility, to be  
24 deposited at least monthly;

25 (c) Any interest that may be earned from the deposit or  
26 investment of those revenues;

27 (d) Notwithstanding RCW 47.12.063, proceeds from the sale of any  
28 surplus real property acquired for the purpose of building the second  
29 Tacoma Narrows bridge;

30 (e) Proceeds from contracts resulting from toll plaza activities  
31 as authorized in section 4 of this act; and

32 ~~((e))~~ (f) All liquidated damages collected under any contract  
33 involving the construction of the second Tacoma Narrows bridge.

34 (2) Proceeds of bonds shall be used consistent with RCW  
35 47.46.130, including the reimbursement of expenses and fees incurred  
36 under agreements entered into under RCW 47.46.040 as required by  
37 those agreements.

1 (3) Toll charges, other revenues, and interest may only be used  
2 to:

3 (a) Pay required costs that contribute directly to the financing,  
4 operation, maintenance, management, and necessary repairs of the  
5 tolled facility, as determined by rule by the transportation  
6 commission; and

7 (b) Repay amounts to the motor vehicle fund as required under RCW  
8 47.46.140.

9 (4) Toll charges, other revenues, and interest may not be used to  
10 pay for costs that do not contribute directly to the financing,  
11 operation, maintenance, management, and necessary repairs of the  
12 tolled facility, as determined by rule by the transportation  
13 commission.

14 (5) The department shall make detailed quarterly expenditure  
15 reports available to the transportation commission and to the public  
16 on the department's web site using current department resources.

17 (6) When repaying the motor vehicle fund under RCW 47.46.140, the  
18 state treasurer shall transfer funds from the Tacoma Narrows toll  
19 bridge account to the motor vehicle fund on or before each debt  
20 service date for bonds issued for the Tacoma Narrows public-private  
21 initiative project in an amount sufficient to repay the motor vehicle  
22 fund for amounts transferred from that fund to the highway bond  
23 retirement fund to provide for any bond principal and interest due on  
24 that date. The state treasurer may establish subaccounts for the  
25 purpose of segregating toll charges, bond sale proceeds, and other  
26 revenues.

27 (7) Proceeds from contracts resulting from toll plaza activities  
28 as authorized in section 4 of this act must be expended to pay for  
29 the principal and interest on bonds issued for the construction of  
30 the Tacoma Narrows bridge. Once the bonds have been paid, proceeds  
31 must be used for operations and maintenance of the bridge.

32 NEW SECTION. Sec. 8. If a contract for a toll plaza as  
33 authorized under section 4 of this act is not initiated by June 30,  
34 2026, this act expires.

35 NEW SECTION. Sec. 9. The department of transportation must  
36 provide notice of the expiration date of this act to affected  
37 parties, the chief clerk of the house of representatives, the



1 secretary of the senate, the office of the code reviser, and others  
2 as deemed appropriate by the department.

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