

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No. 6b
Date of Meeting October 11, 2011

DATE: October 6, 2011

TO: Tay Yoshitani, Chief Executive Officer

FROM: Mike Merritt, Manager, Government Relations, Puget Sound/Washington

SUBJECT: A Port of Seattle Commission Motion opposing the passage of Initiative 1125 – entitled the “Protect Gas-Taxes and Toll-Revenues Act and Protect the 18th Amendment to Washington’s Constitution”

ACTION REQUESTED:

Request Commission adoption of a Port of Seattle Commission motion: 1) opposing passage of Initiative 1125, entitled the “Protect Gas-Taxes and Toll-Revenues Act and Protect the 18th Amendment to Washington’s Constitution”; 2) expressing the Port Commission’s position that toll revenues are an important component of state transportation funding and that the authority of the Washington State Transportation Commission ensures a stable and predictable process to provide revenues sufficient for transportation projects, to set tolls, and to provide appropriate security for bondholders; 3) urging the state’s voters to reject Initiative 1125 on November 8, 2011; and 4) directing the Chief Executive Officer to disseminate this motion broadly to state and local government officials, regional organizations, and interested business, community labor and environmental groups.

SYNOPSIS:

Initiative 1125 is a measure that will appear on the ballot statewide November 8, 2011. The initiative would make significant changes in state law concerning the process for setting vehicle tolls on state transportation projects.

Among the changes sought by the initiative is to put toll-setting authority in the hands of the State Legislature. Today that power rests with the non-partisan Washington State Transportation Commission. Concern has been expressed by State Treasurer Jim McIntire and the independent Public Resources Advisory Group that subjecting toll-setting to the uncertainties of the political process of the State Legislature will result in higher bonding costs.

Further, the initiative would prohibit congestion pricing, a tool used to increase efficiency and reliability and reduce congestion by setting higher tolls during peak demand periods.

COMMISSION AGENDA

Tay Yoshitani, Chief Executive Officer

October 6, 2011

Page 2 of 2

The initiative also would end toll collection once bonds for a project have been retired. Passage of this initiative would remove an important source of funding that would be necessary for maintenance and future improvements of state transportation projects.

The State possibly would be prohibited from utilizing lanes on state highways funded by gasoline-tax or toll revenues for non-highway purposes, such as high-capacity rail systems. This would run counter to the voter-approved plan to construct Sound Transit light rail across Interstate 90 between Seattle and Bellevue.

This initiative is of concern to the Port of Seattle due to the potential loss of funding, and higher costs, for transportation projects important to the Port for access to our marine, cruise and fishing terminals and the Seattle-Tacoma International Airport, such as the replacement of the Alaskan Way Viaduct and the extension of SR-509 and SR-167. Loss of toll revenue could also affect the replacement of the aging SR-520 span across Lake Washington. If that span is not replaced and it fails, the resulting transportation disruption would likely impede the flow of vital cargo through the Port. For the nation's most trade-dependent state, loss of toll revenue is likely to affect other transportation projects in the state's transportation system which are essential to the flow of exports and imports transiting Puget Sound ports and the anchor for thousands of jobs in King County and throughout the state.

OTHER DOCUMENTS ASSOCIATED WITH THIS REQUEST:

- A Port of Commission motion expressing the Port Commission's opposition to Initiative 1125 and urging the state's voters to reject the measure at the general election November 8, 2011.
- Initiative 1125, entitled the "Protect Gas-Taxes and Toll Revenues Act and Protect the 18th Amendment to Washington Constitution."