

I-405/SR 167 Corridor Program

Executive Advisory Group #1

September 14, 2023

Roger Millar, P.E., FAICP, FASCE
Lisa Hodgson, P.E., DBIA
Paul Cornish, P.E.
Ed Barry, P.E.

WSDOT Secretary of Transportation
WSDOT I-405/SR 167 Program Administrator
Sound Transit Strategic Projects Director for BRT
WSDOT Toll Division Director

Agenda

- Welcome
- Public comment
- Introductory remarks, Secretary Roger Millar
- Stride BRT update from Sound Transit
- I-405/SR 167 Financial Plan update
 - Background
 - Work plan
 - Feedback request: evaluation criteria and options for analysis
- I-405/SR 167 Corridor updates
- Wrap-up & questions

Public comment

Blake Jones, WSDOT Communications

Introductory remarks

Roger Millar, Secretary of Transportation

Stride Bus Rapid Transit Program Update

*I-405/SR 167 EAG
September 14, 2023*



Program status

Capital program:

- Design nearing 90% overall
- Right of way acquisition authority

Partnerships (WSDOT & others)

- Underway (\$590m+)
- Construction complete (~\$30m)

Active procurements:

- Systems
- Stations, shelters, furnishings, systems



Stride: I-405 BRT (S1 & S2)

- ~37 miles S1: Burien to Bellevue, S2: Bellevue to Lynnwood
- 11 stations: in-line and transit centers
- Use of Express Toll Lanes for maximum speed and reliability
- Link connections at Tukwila, Bellevue, and Lynnwood
- Higher quality access: transit integration, ped/bike
- Interim park and ride at South Renton Transit Center



Baseline: Cost (Year of Expenditure \$)

	Finance Plan Assumption	Baseline	\$ over Finance Plan	% over Finance Plan
Bus Base North	\$381.6	\$499.5	\$117.9	31%
I-405 BRT	\$1,188.4	\$1,269	\$80.6	7%
SR 522/ND 145 th St. BRT	\$492.6	\$581.5	\$88.9	18%
Program	\$2,062m	\$2,350	\$288m	14%
Delayed Parking Program separated from Stride Program	\$342m (2022\$)			

Baseline Schedule

	Realignment (Q3 2021)	January 2022-April 2023 Trend	Baseline: 80%+ Probability
Bus Base North	2025	2026/2027	Q4 2027
NE 85 th	2026	Q4 2026	Q4 2026
S1 (I-405 South)	2026	Q4 2027	Q3 2028
S2 (I-405 North)	2027	Q4 2028	Q2 2029
S3 (SR-522)	2026	Q4 2027	Q2 2028



I-405/SR 167 Financial Plan Update

Lisa Hodgson, Program Administrator

Projects funded through bonded toll revenues

2019 (ESSB 5825)

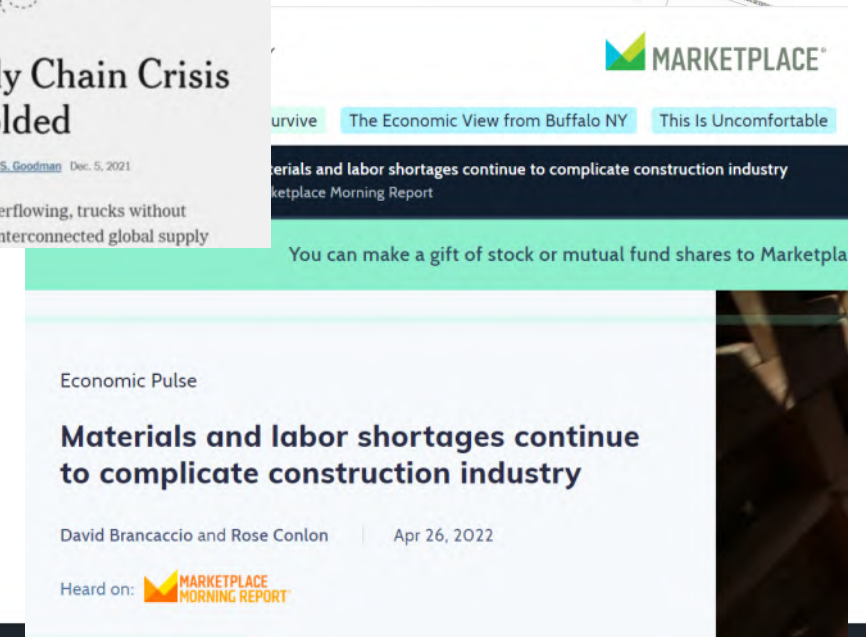
- 1) **I-405, SR 522 to SR 527 Express Toll Lanes Improvement Project** (design and construction) - \$600M
- 2) **I-405 Renton to Bellevue Widening and Express Toll Lanes Project** (completion) - \$215M
- 3) **SR 167 Master Plan Update** - \$3M
- 4) **SR 167 Express Toll Lanes Extension to SR 410 and SR 512** (construction) - \$100M
- 5) **I-405/North 8th Street Direct Access Ramp Project in Renton** (design) - \$20M
It is the intent of the legislature to provide construction funding for this project at a later date

Total: \$938M-\$1.16B

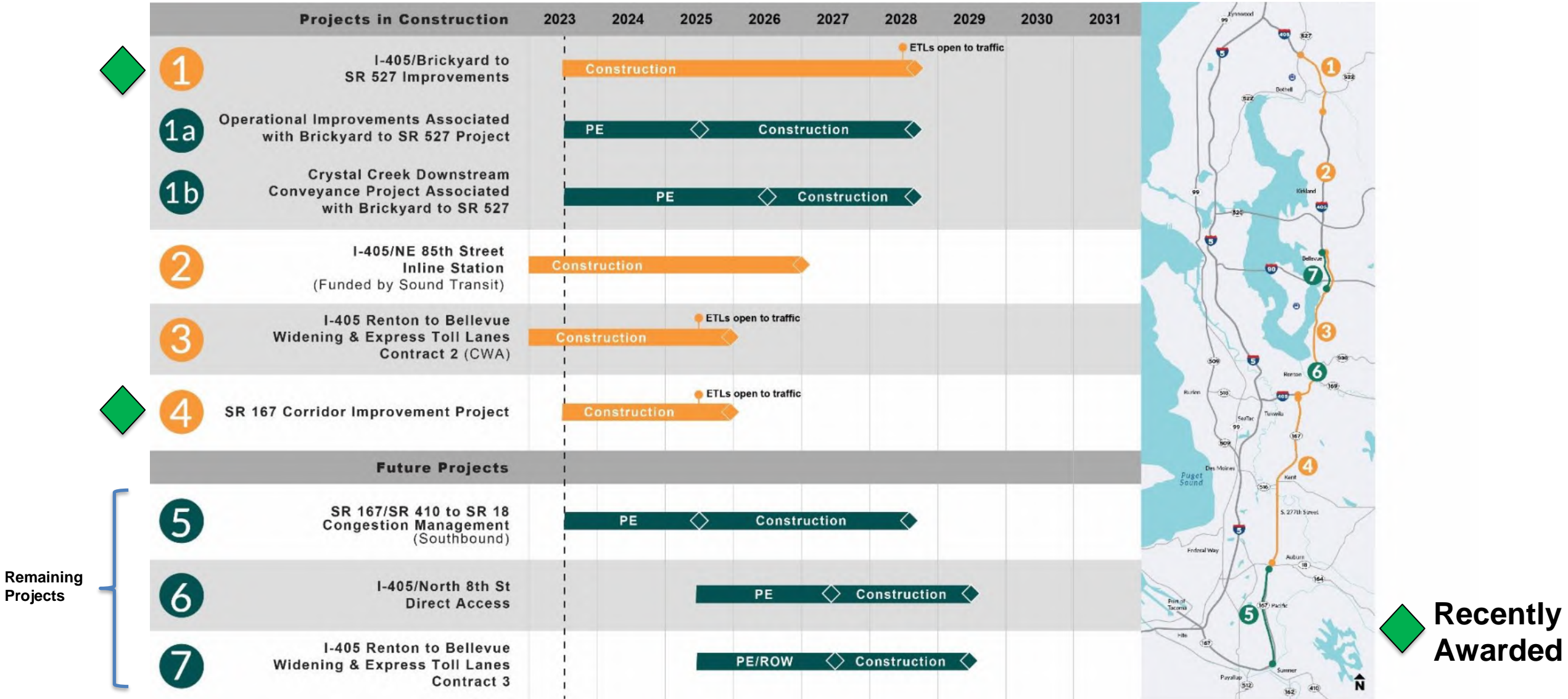
2023 challenge

External cost and risk factors creating cost escalation nationwide and locally

- Inflation
- Workforce Shortages
- Material cost increases and availability
- Market conditions and competition among agencies
- Unanticipated events and risks impacting project schedules



Overview of 50-mile I-405/SR 167 ETL system



I-405/Brickyard to SR 527 Express Toll Lanes Improvement Project

Project overview

- Extends dual ETLs from SR 522 to SR 527
- Builds direct access ramps with inline stations at SR 522 and SR 527 interchanges
- Connections to urban growth centers and transit nodes
- Provides trail, pedestrian, and bike improvements
- Addresses system preservation and resiliency
- Corrects 6 fish barriers

WSDOT -- in partnership with Sound Transit – executed the contract with Skanska for \$834M



Funded by:



Project supports Sound Transit's I-405 BRT

Recently awarded projects

#	Project	Appropriated Budget	Updated Cost	Need	As a Result of:
1	SR 522 to I-5 Capacity Improvements				
	• Brickyard to SR 527 Improvements Project	\$521M	\$775M	\$254M	External cost and risk factors
4	Renton to Bellevue (Contract 3)				
	SR 167 Corridor Improvements Project	\$77M	\$98M	\$21M	External cost and risk factors

Increase from recently awarded projects: \$250 - 275M*

*does not include updates to future project costs or adjustments to net revenue and financial terms

IWG/EAG work plan

IWG Meeting 1 – Aug. 9	IWG Meeting 2 – Sep. 7	EAG Meeting 1 – Sept. 14	IWG Meeting 3 – Sept./Oct. TBD	OST analysis – Oct./Nov.	EAG Meeting 2– Dec. TBD
<ul style="list-style-type: none"> • Background and review work plan • Review funding gap • Review evaluation criteria 	<ul style="list-style-type: none"> • Review approach to address funding gap • Prepare IWG for briefing EAG members • Feedback request: evaluation criteria and options for analysis 	<ul style="list-style-type: none"> • Background and review funding gap • Confirm evaluation criteria • Feedback request: options for analysis 	<ul style="list-style-type: none"> • Review options for analysis • Confirm options to address funding gap to inform preliminary analysis 	<ul style="list-style-type: none"> • OST analysis 	<ul style="list-style-type: none"> • Present analysis results and recommendations • Review next steps

Awarded projects funding needs – per biennium

#	Project	TOTAL Gap By Project	23-25	25-27	27-29
1	I-405/Brickyard to SR 527 Improvements	- \$254M	-	- \$179M	- \$75M
4	SR 167 Corridor Improvement Project	- \$21M	- \$16M	- \$5M	
<u>TOTAL GAP BY BIENNIUM</u>		- \$275M	- \$16M	- \$184M	- \$75M

Funding Need Assumes following Toll Policies (2021 Financial Plan):

Exhibit 4-1. Toll Policy Assumptions in Forecasts

Policy	Assumption
Toll-Free HOV	3+ during peak hours, 2+ during off-peak hours
Toll Hours	5 a.m. to 7 p.m., Monday to Friday
Minimum Toll	\$0.50 SR 167 and \$0.75 on I-405 until 50 miles combined, then \$0.75 on both facilities
Maximum Toll	\$9 on SR 167 and \$10 on I-405 until 50 miles combined, then \$10 on both facilities

Legislative direction

Legislative Building
Washington State Legislature
Olympia, WA 98504-0600

July 21, 2023

Dear Secretary Millar,

Thank you for our recent conversations regarding the cost escalation the Department is seeing in the 2023-25 capital program for both improvement and preservation projects, and the specific example you currently face with the Brickyard to SR 527 project and the SR 167 Toll System Upgrade, both of which are part of the I-405/SR 167 Program.

We understand the Department received only two bids for the Brickyard to SR 527 project, when three to four bidders are more typically expected, and the apparent best value bid is 40 percent over the legislative appropriation. The SR 167 contract had more bidders, but the apparent best value bid was also 40% over the legislative appropriation. At the same time, WSDOT has bid openings for several other large projects planned over the next 18 months and there is a concern that these may also see fewer bidders than usual and bids above the legislatively provided funding.

Thank you for quickly bringing this issue to our attention so we could have a dialogue about how to find a solution for the Brickyard and toll system projects. As we have discussed, we support WSDOT moving forward to award both projects: the I-405 Brickyard to SR 527 contract and the SR 167 Toll System Upgrade. We are committed to reviewing and adjusting as necessary the financial plan for the balance of the I-405/SR 167 Program including options to increase tolling rates, provide additional funding, adjust project timing, or consider other revenue enhancements.

We look forward to continuing this important discussion through implementation of the proviso we included in the 2023-25 Transportation Budget (ESHB 1125 Sec. 204(9)) to direct the Joint Transportation Committee to convene a workgroup. The bid climate we are seeing in Washington state and nationally will certainly need to be carefully considered as part of our discussions.

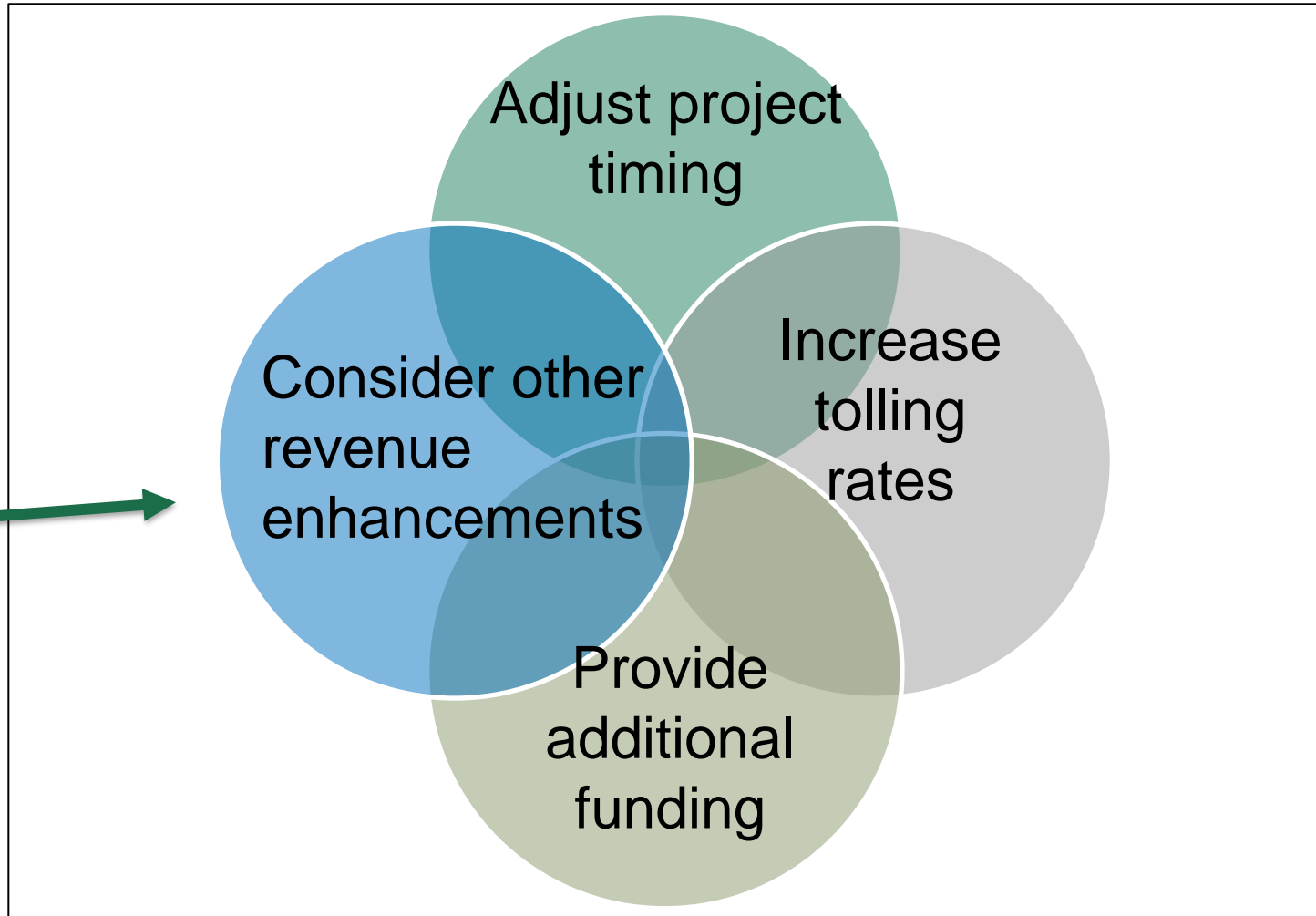
Sincerely,

Jake Fey
Representative Jake Fey (D-27)

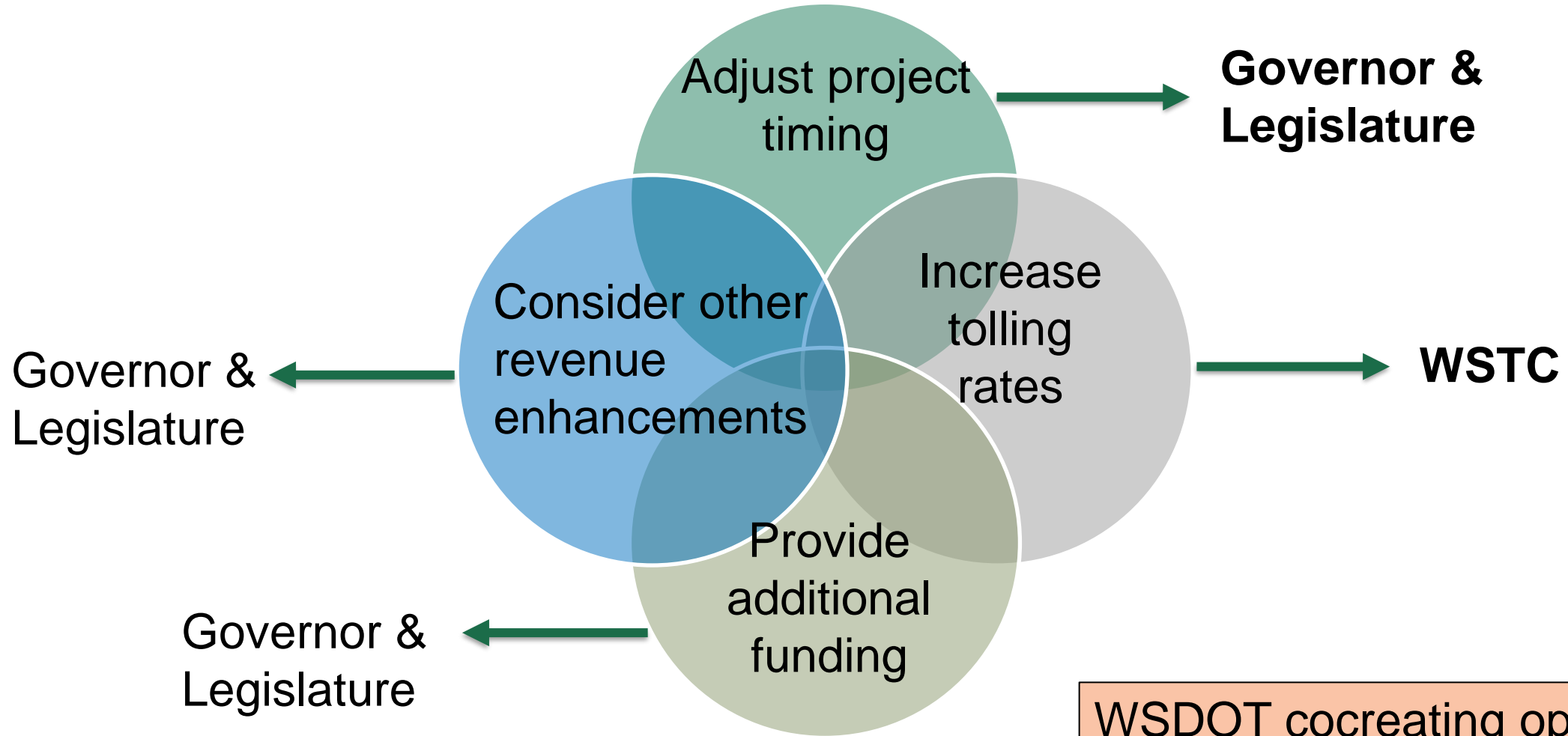
Marko Liias
Senator Marko Liias (D-21)

Andrew Barkis
Representative Andrew Barkis (R-02)

Curtis King
Senator Curtis King (R-14)

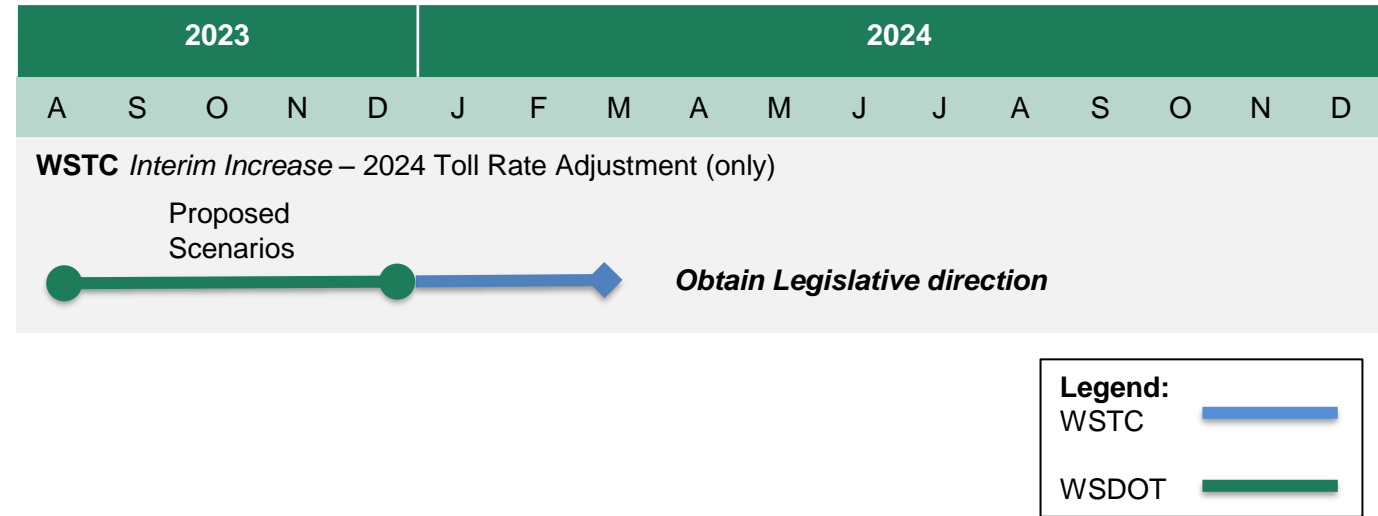
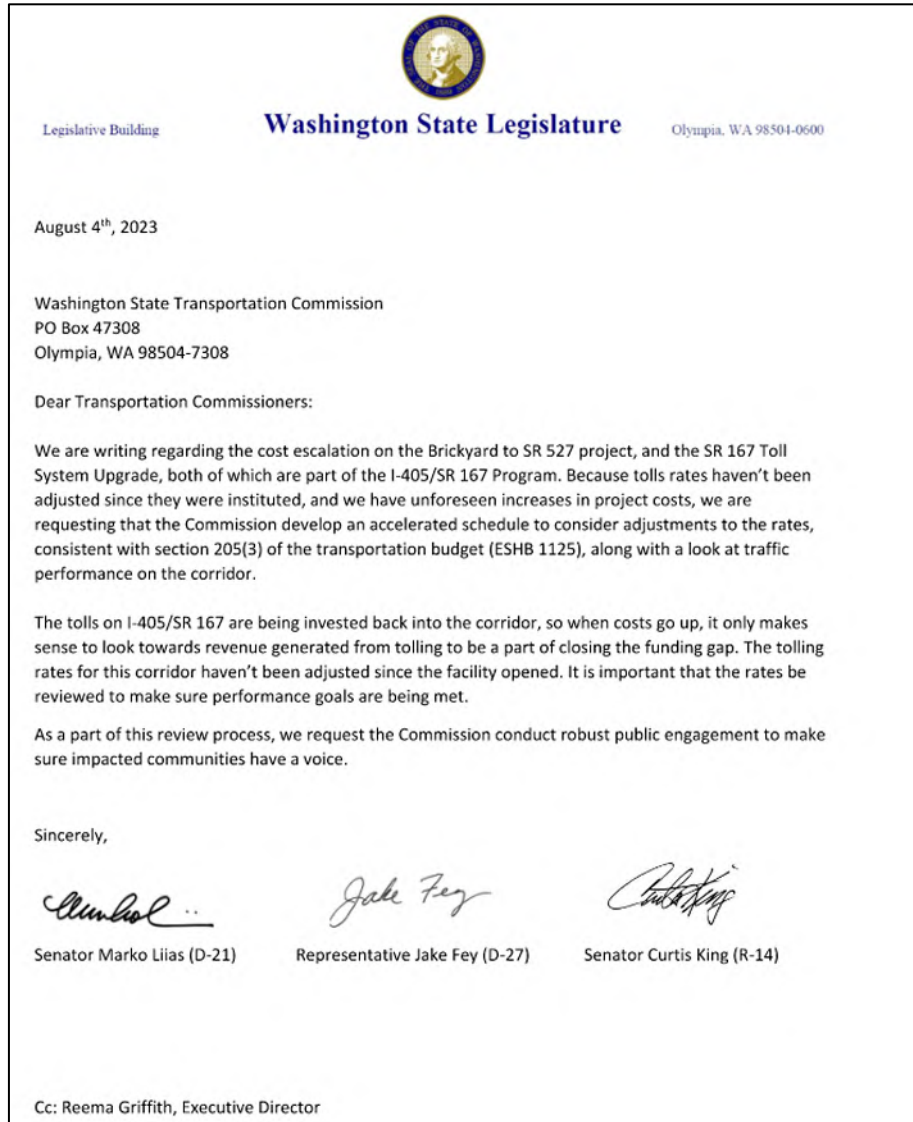


Decision making



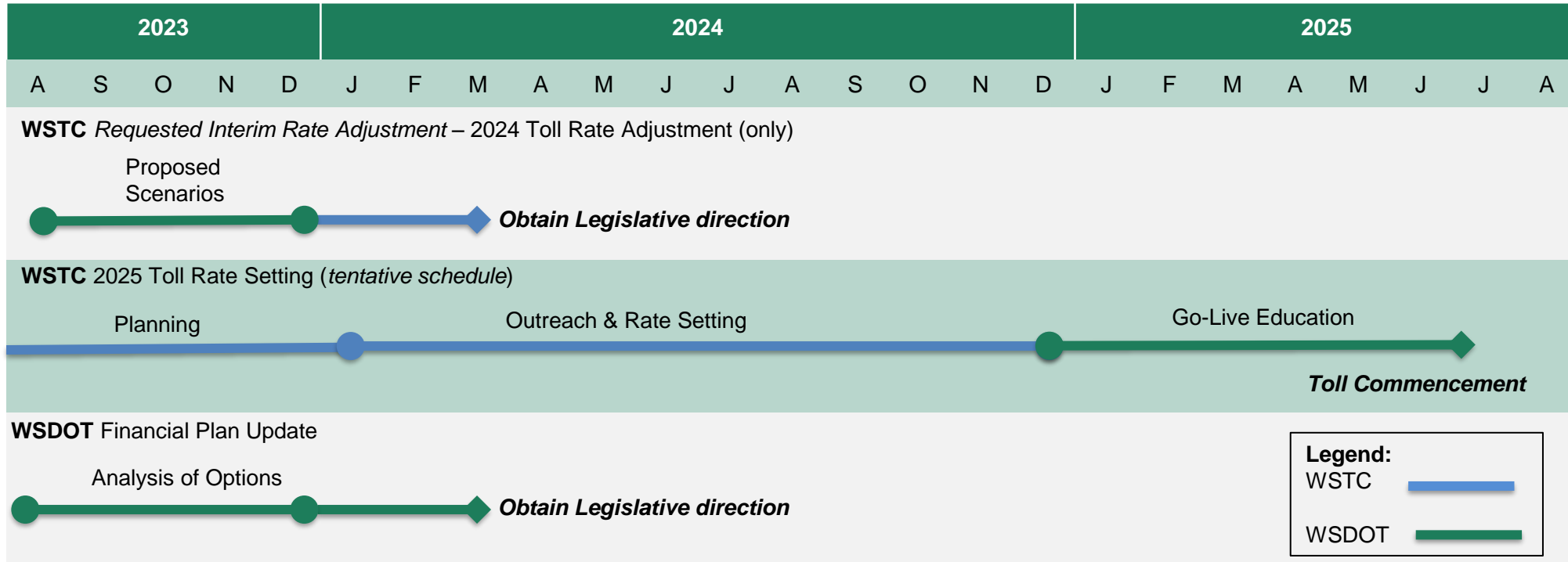
WSDOT cocreating options with IWG/EAG for Financial Plan

Possible Interim Rate Adjustment (WSTC)



- Builds on current legislative direction to review and adjust I-405/SR 167 ETL toll rates
- Identifies toll revenues as potential part of broader funding solution
- Requests a robust public engagement process

Currently planned 2024/2025 schedule



Discussion

Evaluation Criteria

Systemwide benefits and synergy

Provide systemwide benefits including management of traffic and systemwide consistency (50-mile Express Toll Lane System)

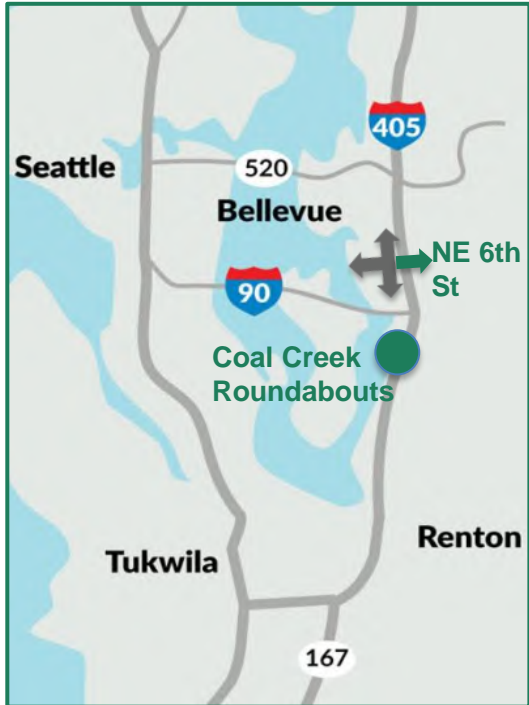
Toll revenue

If higher toll-revenue generating projects are advanced to completion earlier, then these projects can help to lower the funding gap and finance delivery of other subsequent projects that generate less toll revenue. Similarly, if higher-cost construction projects that generate toll revenue are delayed, escalation costs will increase, and future projects will be delayed.

Considerations from 2021 Financial Plan (pg. 23) revisited during Aug. 9 and Sept. 7, 2023 IWG meetings

Remaining projects

*Interchange Improvements
Bellevue*



- Modified ETL access at NE 6th St
- Modified Coal Creek interchange

N 8th St Direct Access



- New ETL direct access at N 8th St

*SR 167/SR 410 to SR 518 Congestion Management
(southbound)*



- Southbound completion of the single-lane ETL system (5-mile extension)

Remaining projects

#	Project	System Benefits	Toll Revenue
	<i>SR 167 Congestion Management</i>		
5	<ul style="list-style-type: none"> SR 167/SR 410 to SR 18 Congestion Management (Southbound) 	<ul style="list-style-type: none"> Adds ~5 miles of ETL system Complement Gateway program improvements Significant time savings 	<ul style="list-style-type: none"> Increases forecasted toll revenue
6	<ul style="list-style-type: none"> N 8th St Direct Access 	<ul style="list-style-type: none"> Local system improvements and ETL access 	<ul style="list-style-type: none"> Minimal addition to forecasted toll revenue
	<i>Renton to Bellevue (Contract 3)</i>		
7	<ul style="list-style-type: none"> Interchange Improvements Bellevue 	<ul style="list-style-type: none"> Local system improvements and ETL access 	<ul style="list-style-type: none"> Minimal addition to forecasted toll revenue

Additional system benefits and toll revenue analysis underway

Project timing

Adjust project timing

#	Project	Year:	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40 +
5	SR 167 Southbound ETL Extension							★	→	→	→	→	→	→	→	→	→	?		
6	North 8 th Street Direct Access								★	→	→	→	→	→	→	→	→	→	?	
7	I-405 Renton to Bellevue Contract 3								★	→	→	→	→	→	→	→	→	→	?	

Legend	
★	Future Projects - Current Law opening
→	Delivery change

Options

1. Uniform delay
2. Prioritized projects that provide systemwide benefits and/or potential revenue
3. Other?

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I-405/SR 167 Corridor Updates

Lisa Hodgson, Program Administrator

NE 85th groundbreaking & construction

- On Sept. 12 WSDOT and Sound Transit hosted a groundbreaking ceremony for the Northeast 85th Street Interchange and Inline Station Project to kick off construction
- Construction is officially underway!



Renton to Bellevue full closures



[Weekend full closure recap video](#)

NE 132nd Street Interchange Project



Before – signalized intersection



After -- roundabout

Wrap-up and questions

Lisa Hodgson, Program Administrator