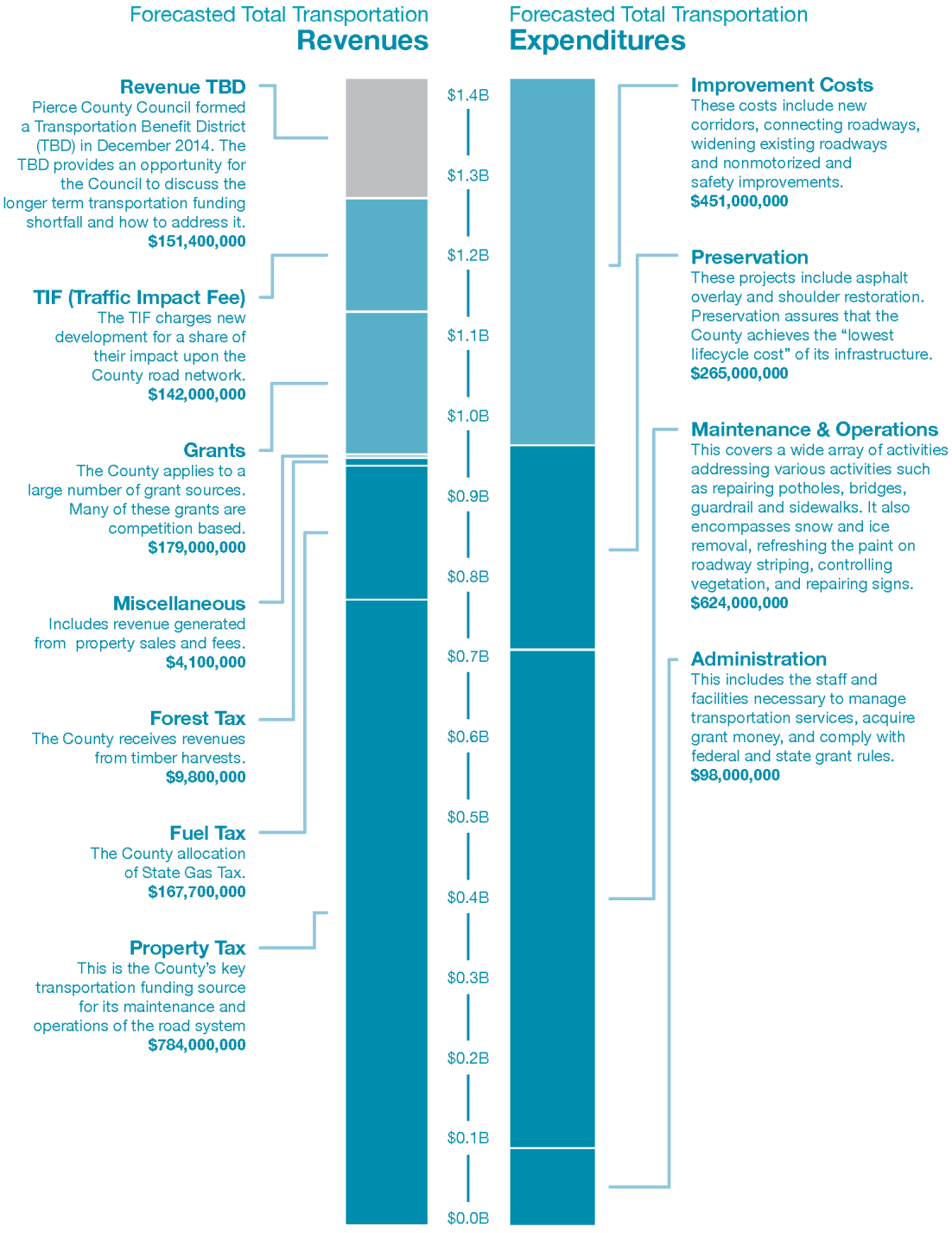
## Figure 12-M: Forecasted Transportation Revenues and Expenditures (2015-2030)



## Transportation Needs and Resources

It is anticipated that in future years, Pierce County will face more difficult choices in how it spends its transportation funds. As discussed earlier, the past Community Plan forums have voiced that the improvement needs are important for both motorized and nonmotorized travel. It has become more apparent that the transportation needs will continue to be greater than the financial resources at hand.

Figure 12-M above compares the forecasted aggregate transportation needs (expenditures) with the revenues (resources). A key value of the above graphic is in comparing the aggregate future revenues with the expenditures for the same time period. The graphic indicates that the aggregate expenditures are greater than the revenues by an estimated $151,400,000. This potential "imbalance" between the revenues and expenditures is identified in the above graphic on the revenue side as Revenue TBD (Transportation Benefit District). This section offers more detail in the nature of both the current revenue sources and the expenditure categories.

## Key Finance Actions

Pierce County will address the revenue shortfall through a variety of forums and programs such as the already formed Transportation Benefit District (TBD) and the Traffic Impact Fee Program revision effort. The TBD is a forum that will allow a more detailed understanding of the revenue and expenditure options and resultant impacts on the County's finances and transportation service delivery. It is anticipated that the TBD discussion will advance a financial plan in approximately two years. This plan will more fully describe the options for financing the desired projects and programs for the planning period.

The County has also recently initiated efforts to revise its Traffic Impact Fee (TIF). The update of the TIF would assist in understanding a number of important revenue assumptions, the amount for which new development should pay for additional capacity with the transportation system. The TIF is in the "critical path" of financial decision making as it has been designed to pay for a significant share of roadway capacity costs in the long term.

## Transportation Revenue Sources

The following table summarizes transportation revenues and the aggregate levels anticipated by 2030:

### Table 12-O: Transportation Revenue Sources and Amounts

| Revenue Source | 2030 Forecasted (Total) | Description |
|---|---|---|
| Traffic Impact Fee | $142,000,000 | The traffic impact fee (TIF) was first collected in 2007. These fees go towards capital improvements that bring new capacity to the transportation system. The TIF cannot be used toward existing deficiencies in the system. |
| Grants | $179,000,000 | Pierce County has received significant grant amounts from both federal and state funding sources. While it is recognized that the competitive environment has significantly increased for grant opportunities, the expectation is that in order to raise the indicated amount, Pierce County would need to raise significantly more grants funds in the future. |
| Miscellaneous | $ 4,100,000 | This revenue category includes funds generated by the issuance of ROW permits and revenues through property sales. |
| Forest Tax | $ 9,800,000 | This is also known as the "Timber Tax" and represents the County's share applied toward its roads. |
| Property Tax | $ 784,000,000 | In 2014, Pierce County collected a maximum of $2.11 per $1000 of assessed valuation on property within the boundaries of unincorporated Pierce County . These funds go to activities associated with the maintenance, operations, and improvement of the roadway and bridge systems within the county. |
| Fuel Tax | $167,700,000 | While there is only one "fuel tax" within the State of Washington, the funds from this tax are distributed from three legislative measures that starts with the "Pre-2003" State Motor Vehicle Fuel Tax. |
| **Total** | **$1,286,600,000** | |

## Transportation Expenditures

Table 12-P below details the forecasted expenditure levels found in Figure 12-M.

### Table 12-P: Forecasted Expenditures

| Expenditure | 2030 Forecasted |
|---|---|
| Maintenance and Operations | 624,000,000 |
| Administration | 98,000,000 |
| Preservation | 265,000,000 |
| Improvement | 451,000,000 |
| **Total** | **1,438,000,000** |

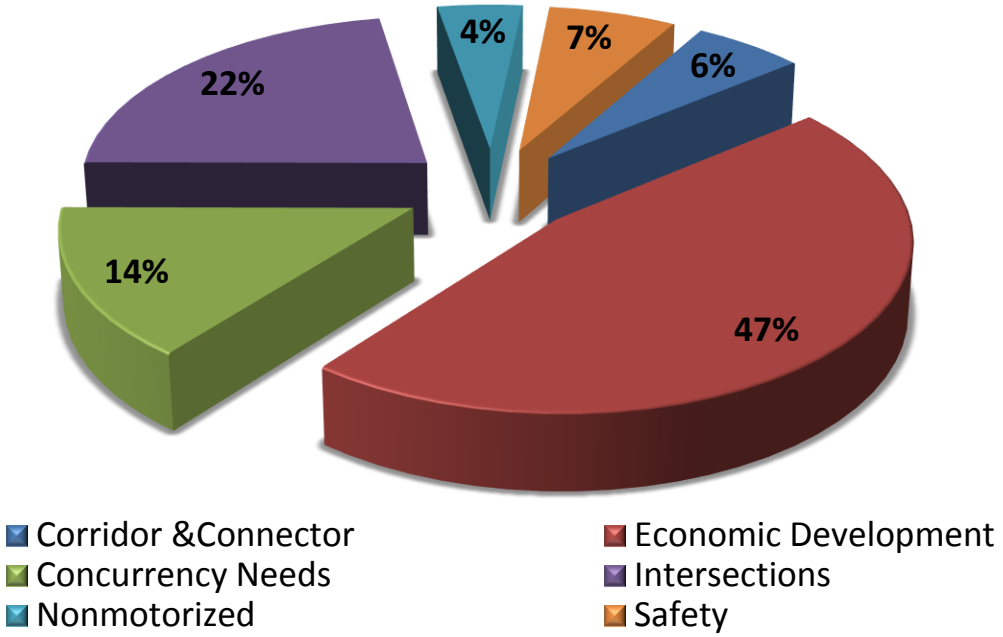
### Table 12-Q: Estimated Total County Road Improvement Costs by 2030

| Proj. ID | Facility Name | Facility Limits | Estimated Cost |
|---|---|---|---|
| C1 | 92nd Ave E | 152 St E to 160 St E | $5,033,000 |
| C2 | 86th Ave E | 152 St E to 160 St E | $1,541,000 |
| C3 | 86th Ave E | 170 St E to 175 St E | $4,325,000 |
| C4 | 78th Ave E | 160 St E to 176 St E | $13,359,000 |
| C5 | 124th St E | 74 St E to 73 Ave E | $1,806,000 |
| E1 | Canyon Rd North E Ext | 99 St Ct E to N Levee Rd E | $194,400,000 |
| E2 | Canyon Rd South Ext | 196 St E to 224 St E | $15,514,000 |
| N1 | 122nd St E/Military Rd E | Military Rd E to 120 St E | $6,679,000 |
| N2 | Military Rd E/Shaw Rd E | Reservoir Rd E to Puyallup C/L | $13,905,000 |
| N3 | 122nd Ave E | 136 St E to Sunrise Pkwy E | $12,944,000 |
| N4 | 94th Ave E/152nd St E | 136 St E to SR 161 | $15,202,000 |
| N5 | 160th St E | 58 Ave E to 70 Ave E & 78 Ave E to 86 Ave E | $8,448,000 |
| N6 | Portland Ave E | 97 St E to 99 St E & approx. 1,342 ft. S of 72 St E to 80 St E | $3,711,000 |
| N7 | Spanaway Loop Rd S/Steele St S | Tule Lake Rd S to 112 St S | $4,171,000 |
| **Total** | | | **$301,038,000** |

This Transportation Element estimates the future improvement needs of the County roadway network at $451M. This amount assumes that improvements are categorized and funded in the following manner: Economic Development projects ($210M), Intersections ($100M), Transportation Concurrency ($65M), Nonmotorized ($20M), Corridor and Connector Projects (26M), and Safety ($30M). Figure 12-N below shows the percentage distribution of these projects.

Three relevant roadway projects relating to Concurrency, Corridors and Connectors, and Economic Development, are graphically depicted in Map 12-12. The other project categories are more programmatic at this time.

**Figure 12-N: Project Type Percentages – Improvement Costs**




### The Full Cost Accounting for Transportation

The earlier sections of this report focus upon the improvement of the transportation system. Often the tendency is to pay particular attention to the infrastructure, such as where new roads might be constructed or widened. That is the improvement component of the plan. The improvement projects stand out in aggregate and sometimes individually relative to the rest of the larger *basket* of transportation services that the County provides the community.

While building new capacity is important, it is not the most important deliverable offered by the County. By policy and in practice, the most important services provided by the County are in taking care of what is in place (maintenance), seeing to the day to day tasks (operations), and replacing the existing assets in the optimal time frame (preservation). The following narrative describes some of the maintenance, operations and preservation activities performed by the County.

## Maintenance

Maintaining, operating, and preserving the County's 1,500 centerline miles of roadway is a long-term investment. It may at times be attractive to local governments to prioritize the improvement projects ahead of sound maintenance and operations programs. However, the long-term outcomes of deferred road maintenance are often financially devastating and unpopular with citizens. For these reasons, this Plan takes into account what will be needed to maintain, operate, and preserve the County's existing roadway network. The overall goal of the County's transportation program is to maintain our transportation system assets with the lowest overall lifecycle cost.

The County continues to maintain its existing transportation assets by:

- Repairing potholes, damaged pavement, bridges, storm drainage systems, guardrail, and sidewalks;
- Grading gravel roads and shoulders;
- Controlling roadside vegetation;
- Inspecting and repairing as needed County traffic signs, luminaires, and traffic signal control components;
- Repainting and refurbishing pavement markings (such as crosswalks, arrows, etc) and restriping roadways;
- Replacing raised pavement markers;
- Responding to citizen calls; and,
- Maintaining the County's ferry system, including the ferry boats, docks, and terminals.

## OPERATIONS

Operations include activities required to safely operate the County's transportation system. These include:

- Street sweeping;
- Roadside mowing;
- Cleaning storm drains;
- Removing snow and ice from roadways;
- Removing roadside litter and dead animals;
- Responding to roadway emergencies such as floods, wind storms, mudslides, hazardous materials spills, earthquakes, and volcanic events;
- Responding to citizen concerns and inquiries;
- Collecting data about the County's transportation system, such as information related to traffic counts and crashes;
- Completing traffic studies and analysis as needed, as well as reviewing traffic impacts from new developments;
- Paying power costs needed to run the County's traffic signals and lighting systems; and,
- Operating the County's ferry system, which includes costs such as fuel for the ferries, staff to run the ferries and operate the facilities, and insurance.

## Preservation

Preservation is the replacement or repair of an asset; whereas maintenance is considered to be a routine activity. Examples of preservation activities are:

- Repaving or overlaying existing roadways, and
- Replacing or refurbishing bridges; sidewalks; retaining walls; guardrails; electrical systems (traffic signals, roadway lighting, etc.); boat launches; pavement markings; and traffic signs.
- Preserving the County's transportation system also includes replacing or refurbishing the ferries, ferry docks, terminals, and the ferry ticket system.


*Photo shows work being done to preserve a Pierce County roadway.*

## Improvements

### Safety Improvements

- Projects that work toward safety for the travelling public include:
- Intersection improvements (turn lanes and traffic signals);
- Pedestrian improvements;
- Rural road improvements, such as shoulders, guardrail, and rumble strips; and,
- Traffic enforcement and education.

### Capacity Improvements

The *Population, Jobs, Travel Characteristics, and Performance* section of this document shows the roadway needs within the 20-year planning period. These projects do the following:

- Address anticipated traffic congestion (Concurrency);
- Attract employers to add jobs (Economic Development);
- Add to the continuity of our roadway network (Corridors and Connectors);
- Facilitate travel to future developments (typically paid by the development community) or are assumed to be already in place, such as the 176$^{th}$ Street East widening (Assumed Projects).
- The above projects will cost approximately $300M. It is also assumed that the County will continue to improve intersections throughout the planning horizon. It is anticipated that the County will expend approximately $150M in this endeavor.

## Administration

The County provides maintenance and operations staff; personnel to manage the County's transportation budget and apply and administer federal and state grants; and the engineering

and planning staff needed to maintain the current transportation system as well as respond to future County transportation needs. Administration costs also include the physical space staff needs to complete their day-to-day work.

## Revenues

The major source of revenues for transportation in our County are:

- Property Tax (tax on private and commercial real estate);
- Fuel Tax (tax per gallon of motor vehicle fuel);
- Forest Tax (tax on logging sales);
- Ferry Receipts (fares);
- Transportation Impact Fees (TIF – fees paid by developers);
- Grants (revenue granted from state or federal agencies).

Some of the revenue sources are subject to fluctuations in the economy (REET, TIF, development), people's changing habits (fuel tax), or changes in outside agency priorities (grants). Even property tax, which has historically been a stable source of revenue, is capped as of 2002 at a 1% growth rate, plus the value of new construction. This cap has significantly affected receipts, and the gap between receipts and inflation is growing. Given the unpredictability of these revenue sources, the transportation budget will need to be updated periodically to identify needed adjustments in spending or revenue.

### Revenue Shortfall

*RCW36.70A.70(6) requires as follows:*
*A transportation element that implements, and is consistent with, the land use element.*
*(a) The transportation element shall include the following subelements:*
*(iv) Finance, including:*
*(C) If probable funding falls short of meeting identified needs, a discussion of how additional funding will be raised, or how land use assumptions will be reassessed to ensure that level of service standards will be met;*

The above state law gives certain guidance to jurisdictions facing financial shortfalls in the transportation system. Among the responses that may be considered by the County:

- The County could review its current land use and decide how to reduce the future demand on the roadways;
- The Service Standards could be changed either on a global or selective basis. One notes that the use of *Ultimate Capacity* is used for targeted and specific use that requires other actions from the County;
- The transportation budget could be altered to reduce certain types of services;
- Additional funds may be raised for transportation using existing or new sources.