

**Farmhouse Gang General Assembly  
September 10, 2010  
Bellingham Cruise Terminal**

**I. Welcome and Introductions**

**II. US Congressman Rick Larsen**

R. Larsen: I was one of the people who started Farmhouse Gang, introducing N. Snohomish as North Puget Sound in 1998. It's good to see the growth of the Farmhouse Gang.

With the economy, I know what you know. It was about two years ago today when the economy collapsed. I was holding town halls in Burlington and Arlington on the economy, asking why it happened, and how to try to move forward, how to deal with economy. In December 2008 the recession started and credit froze up. The impacts have been felt all over.

The City of Snohomish budget from 2007-2010 was consistently going down. They are estimating a 1% increase for 2011. The result is cutting many services that many people have enjoyed and still want. I met with a contractor yesterday in Snohomish. This contractor had 40 people and is now down to 12, he is having to furlough them just to keep them employed.

A recent report came out from a McCain economic advisor that found that the initial steps that we took when the economy collapsed stopped the bleeding. The report said that things could have been a lot worse. The Recovery ACT in WA created 28,000 jobs. Those same steps raised growth by 2% and held unemployment 4.5% lower than it would have been. Things could have been worse. We are not in the business of that. We need to help grow the economy and create jobs. My district is trending down in unemployment a little. We need to find a way to pay for a new transportation bill. The President needs to realize this. If we do this right, we could be in line to give out \$5 billion in transportation construction alone, that would create many new jobs.

Chairman Oberstar has proposed a new bill, if we had passed it in 2008 when SAFETEA-LU expired, thousands of construction workers who are now on unemployment would still be employed. The President has proposed \$50 billion up-front investment for transportation. He has called for long term reauthorization. The House bill includes an infrastructure bank, high speed rail is also a focus. Reform how federal transportation funding is organized, consolidate 100 federal funding programs. Encourage communities to walk, bike and use public transit. I look forward to working on the T & I committee with my colleagues. I look forward to your input as well.

D. Pike: How are things are looked at with the cost of the transportation bill; 34,000 jobs per billion invested, that number is actually higher if people are on unemployment.

R. Larsen: I'm not sure if any studies have been done that look at that. For me it's apparent what is obvious to do, it is better to pass a transportation bill. We are going to do this, it's necessary. The demand for transportation projects is infinite. Ferndale is a

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great example, they built 2<sup>nd</sup> Ave and it helped grow the economy. In Standwood they sidewalk for kids to be able to walk to school.

CB Hall: According to reports I read, an increase in fuel tax is not on the table. I wonder if an increase in fuel tax is what is needed to help pay for what we want, would the President sign it?

R. Larsen: I don't speak for the administration, so I don't know. Until we find a replacement to pay for infrastructure we will rely on the gas tax. The next reauthorization, after this one, we will have to move away from that. I think that the T&I will rely on gas tax to meet the need.

Larry: You sponsored legislation to triple ferry funding, thank you. The Presidents plan doesn't mention ferries. What do you think about that? Will you push forward?

R. Larsen: Short answer is yes, we need to make it part of the 6 year reauthorization. I want to triple the amount ferries get right now and expand the number of ferries. We are trying to find a place for the ferries program. For most places ferries are not a tourist attraction like they are here.

B. Distler: Gas tax issue, action on federal side is long overdue. We have environmental and security issues, it's hard to believe that it's been frozen for so long. Do people 'get it'?

R. Larsen: I think people are split, they know that the gas tax funds highway trust fund. People don't want to admit that because the user fee on fuel is a tax. Some people are arguing that we should do what we've been doing, which is take from the general fund and back fill gas tax. If we keep doing that there won't be any money left for the environment, education and others. The gas tax should go to transportation projects. We are not going to use the gas tax for anything other than transportation projects, in the House of Reps.

G. Jose: Timeline for reauthorization, any chance it will pass before elections?

R. Larsen: No, it won't get done before November election.

B. Agnew: We need to find a bipartisan rep for gas tax. How do we establish bipartisan support for transportation projects?

R. Larsen: If we add up what we can do with toll roads, and private dollars, there will not be big enough to meet the need over the next five years. All those things are okay, but we can't have just that. It won't meet the need. You can have both, but the user fee on gas will be the predominate finance mechanism for transportation projects. When it shifts away it will be because of changes in habits from drivers.

Larry: Has the Obama plan increased the odds of passing reauthorization?

R. Larsen: If the President wants to make something a priority then it will get done. What I gather is with the \$50 billion, if you take the first year of surface transportation  
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reauthorization and the first year of FAA reauthorization and add in high speed rail you get about \$50 billion. We just need to reauthorize so people can get to work.

L. Herrigstad: What has stopped Congress from reauthorizing?

R. Larsen: Deciding how to pay for it, right now they would have to dip into the general fund to fund projects. Transportation bills are always paid for.

G. Rogers: Congressman Larsen has worked hard to fund Farmhouse Gang over the years.

### **III. Washington Transportation Plan start 43:25**

B. Distler: It's good to be around people who get it, who understand the importance of transportation. I spoke with Mary Margaret Haugen, she sends her regards. We are working on the Washington Transportation Plan, we have many advisors. I am not as optimistic about reauthorization. The projected gas tax revenues have an uncertain future; in WA we are about \$3-4 billion behind where we should be. I hope we are at a transition period.

The States transportation network is a means to an end. It leads to economic vitality, preservation and maintenance is needed first and foremost. State transportation budget is \$8.6 billion. Fare box receipts are down, however more people want to use transit but can't, because service is being cut.

With the issue of land use, when it comes to putting teeth into concurrency we just aren't there yet. We are building out; we have a GMA, only paying lip service. There are unique problems to each area, farms, snow, tribes, etc. Hope to focus not only on local and regional needs, but also on performance based outcomes. There are six policy goals set out by the Legislature. Many projects span all of these areas, economic vitality, preservation, safety, mobility, environment, and stewardship. We held 5 regional listening sessions, we actively engaged transportation stakeholders. We set up a blog and have an email. The purpose of the transportation plan is to focus on policy strategies that work with the 6 goals. The

Commission was charged with coming up with a funding source for the ferry system. The statewide motor vehicle tax is used solely for local regional projects. I'm not sure if the legislators will go there. We are still battling VMT tax, gas tax is not indexed, when mpg goes up, gas tax revenue goes down. I hope you will be involved in the plan.

L. Herrigstad: Have you looked at the organizations structure, it looks like primarily highway with others added in. Have had problems getting a rail project funded over highway projects, can't even be considered on an equal basis.

B. Distler: No we are not going to reorganize or refocus. Yes, we are looking at the transportation needs of the entire state beyond just WSDOT. I share your concerns with rail. We are trying to keep a focus that is above and beyond WSDOT.

B. Agnew: I suggest that you do continue to focus on that and the inter-county connector. With the state budget in turmoil, transit tax focuses group. How do political initiatives affect the plan?

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B. Distler: Each of the seven commissioners represents the whole state, not just the area they are from. Want to hold peoples feet to the fire with regard to the need to look at funding options; it costs \$500,000 a day just to keep the service we have. We presented our options and one Legislator said 'we're not doing any of that'.

S. Bird: I liked the slide you showed, about money spent on transportation. Federal spending is not on that list. What is shown is \$11 billion in state funds, but there is also \$27 billion in private spending on fuel and vehicles. You are stranding people if they don't use a car. A real multimodal transportation policy, best solution will serve everyone with lowest cost.

B. Distler: Need appropriate gas tax. We need the most efficient way of moving people from A to B. When you spend money on car or gas, most of what you are spending leaves the state; that is not good for economy.

CB Hall: How would you feel if all passenger rail services in Western WA were subsumed understate.

B. Distler: I think it's foolish to have separate operators run the train from here to Everett then another one to Seattle, that's my personal opinion.

G. Joseph: It was clear a few years ago that the state didn't want to have passenger ferries. There needs to be coordination for terminals.

B. Distler: Attached to funding elements, are instructions to WSF to coordinate terminals and schedules. Why should state run some ferries and not others?

G. Rogers: It would be great if some of you went to the listening session in Everett on Sept 29.

#### **IV. Transit Updates**

R. Walsh: WTA, for the tri-county connector service, ridership is as high as ever. The 80x link runs from Bellingham to Mt. Vernon. WTA, SKAT and Island have concern over state funding for connector. Sen. Haugen has gotten state funding for this last 6 years, we are hopeful it will continue. If no state funding provided, should local transit agencies pay for it? It would be a huge dilemma for all of us. WTA is reducing services on Sept 19, laying off 30 personal and implementing reductions of 14% in service.

L. Herrigstad: I noticed the county connector has no website or Facebook page, I urge all involved transit agencies to have riders contact legislators.

R. Nicholson: WTA wanted to look at the net CO2 effect of service, what we put out and what was eliminated from reduced drive alone trips. We surveyed riders on how they would have made the trip if they weren't on the bus; we calculated all answers that said they would have driven a personal car. On 80x, over 50% would have driven alone. The route 80x tops our charts, with net savings of 100 lbs CO2 per bus hour; I think the next closest route is at 20 lbs. It seems to me that this will be a higher priority for transit agencies in the future.

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C.B. Hall: Given that 57% would have taken a car instead, have you considered raising the fare on that route?

R. Nicholson: The fare is higher than within Whatcom County. Question is, what is the tipping point? As gas prices go up transit looks better and we probably could raise fares.

D. Keeler: Island County is fare free; it's not worth it for us to charge a fee.

R. Nicholson: That works well for many smaller transit agencies.

D. Digges: Skagit Station has been under construction and is due to open end of September.

## **V. DMU Study**

T. Noyes: We looked at a possible Auburn to Maple Valley DMU service. The Rail corridor is 14 miles. There would be two stops. We also devised a future bus service possibility. We looked at capital operating costs, and ridership forecast.

The area has seen a substantial amount of growth in the last few years. Maple Valley and Covington have been growing drastically. The need for alternative transportation is evident. Land use and population growth will be a big challenge for them.

It is designed to be a three hour peak service. Two current metro routes were awarded a grant. We found that commuter rail service is feasible, but is not easy, quick or cheap. There would be benefits to BNSF if improvements were made. Enhancements to bus corridor will be helpful to serve long term needs of transit in the future. We have not identified any fatal flaws in the environment, but it does run along the Green River. It could operate under law, but not under PSRC long range plan. The existing agencies can not run DMU service.

Governance structures are summarized in report. Four most likely: Public Transportation Benefit District, Cities and Towns under the Inter-local Cooperation Act, Transportation Benefit District, and County Rail District. Preliminary costs would be \$170-190 million for everything. Annual operating costs are \$4.1-\$4.7 million. Liability insurance is the biggest cost driver. It would be best to tap into an existing operator on rail to save on insurance costs.

Funding and next steps, some possible federal funding sources are New Starts or Small Starts. It will be hard to get ongoing annual operating costs. We will deliver final report to legislators this month.

J. Miller: Were instructions prioritized?

T. Noyes: No, not prioritized. Stand alone number, not an either/or bus vs. train. We used PSRC travel demand model.

T. Jones: Is the study is on your website? What is the relationship between bus and rail service?

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T. Noyes: The study may not be up yet, but will be soon. One bus route does not parallel rail service. It is more local service and infrequent.

Need to be improved now.

T. Jones: With 1,200 riders, that's 84 passengers per mile. The reason that Sound Transit is so hard to get to operate is because of BNSF. My guess is BNSF would want \$65 million for use of rail. We have a letter BNSF that says we can run two trains if we do improvements.

T. Noyes: We do not have passenger rail right now, just freight.

T. Jones: Local jurisdiction got an earmark to do phase two of this study. We applied for a grant.

M. Lilliquist: Has this dampened enthusiasm, because of the cost; is this best way to use money and land?

T. Noyes: We make no recommendations; this is our first formal presentation. I think there are people that are still enthusiastic about it.

CB Hall: Said to tap into existing passenger rail service. Is there anything that prohibits you from studying how to incorporate this service into another to save costs?

T. Noyes: Nothing prohibits that, but not what we looked at for this study. One possibility would be to join with Sound Transit.

S. Bird: Seems like a good time to incorporate land use planning with transportation, then ridership would probably be more favorable.

T. Noyes: That's a good point, Covington is talking about redesigning their downtown to be more transit and pedestrian friendly.

L. Herrigstad: Did you evaluate all day service? Did you look at the Oceanside study?

T. Noyes: No, the goal is to connect to Sounder, which doesn't run mid day. The Oceanside study is a little different than ours.

L. Herrigstad: Did you contact Kittitas County Rail District East?

T. Noyes: I did contact them, and had some discussions with them.

## **VI. Other**

G. Rogers: Funding DMU is a goal of government. At the last core group meeting there was a discussion of sending a resolution in support of DMU study.

L. Herrigstad: The letter lays out what the Farmhouse Gang is, and references what we've done. Asks the State to look at partnering with us to develop results on DMU, next step is to put on tracks.

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C.B. Hall: DMU is much more efficient and environmentally friendly.

L. Herrigstad: If we want rail transit this is the way to go.

G. Rogers: In last legislative budget, \$500,000 went to WCOG to do two bits of work. One is to continue IMTC project, and the other to further analyze freight issues, including passenger and freight rail, and DMU.

B. Agnew: I am running a rail program for Farmhouse Gang, there is a proposal to waive fee for second train in Canada. I hope to hear in next few days. A third and fourth round trip train are in the state plan. WA got \$600 million for rail funding. In DOT request, one area identified is North of Seattle. I commissioned a painting of the new Skagit River Bridge, if it's a double tract it would help.

The reason for bridge replacement is that it was built in 1917; it is a flood risk and a trap rack for debris. It has failed before, in 1995. On the DMU issue, Tom Jones is looking at things around the state. If you look at Seattle to Vancouver corridor, DMU can operate with 2 people, vs. Amtrak operating with 5-6 people.

T. Jones: There is a German DMU train car, 5 sets are available to lease. It is something we are looking at, along with California. The preliminary concept is to lease these for five years. The map on your table shows potential routes, would serve Seattle area as well as the 509 area code.

L. Herrigstad: It would serve Yakima which needs rail service.

G. Rogers: Thank you to all the speakers and to all of you for participating.