



Washington State  
Transportation Commission



# SR 99 Tunnel Project Toll Rate Setting

Public Input Meetings  
June 4-6, 2018

# Meeting Agenda

## Presentation

- WA State Transportation Commission
  - Tolling Roles & Responsibilities
- WA State Department of Transportation
  - How the tunnel and tolling will work
- WA State Transportation Commission
  - Overview of three toll rate options under consideration
  - Next steps for rate setting

## Public Comment

- Feedback from the public on the proposed toll rate options

# Tolling Roles & Responsibilities

	Washington State Legislature	Transportation Commission	Department of Transportation	Office of the State Treasurer (OST)
<b>Responsibility</b>	Establish tolling, designate toll corridors and use of toll revenues	Set toll rates and related fees	Plan, analyze and construct facilities, collect tolls, build and operate toll collection systems	
<b>Roles</b>	<ul style="list-style-type: none"> <li>• Establish legal toll framework</li> <li>• Authorize tolling in designated corridors</li> <li>• Approve financing plans</li> <li>• Enable tolling practices</li> <li>• Appropriate toll operation budget</li> </ul>	<ul style="list-style-type: none"> <li>• Set toll rates within funding requirements</li> <li>• Set toll exemptions</li> <li>• Establish advisory committees</li> </ul>	<ul style="list-style-type: none"> <li>• Develop toll collection systems and procedures</li> <li>• Collect tolls</li> <li>• Finance improvements</li> <li>• Operate tolled corridors</li> <li>• Assess financial feasibility of toll projects</li> </ul>	<ul style="list-style-type: none"> <li>• Conducts all financings for the State of Washington</li> <li>• Responsible for the issuance of toll debt</li> </ul>

# Transportation Commission

## About Us

- Seven members appointed by the Governor with representation from across the state.
- Includes two members from the Seattle area.
- Responsibilities include setting toll rates and ferry fares, developing the state 20-year transportation plan, and exploring new and innovative transportation funding and financing approaches.

# Tunnel Basics

**Tunnel could open as soon as Fall 2018**

Work to be completed before opening:

- Testing safety systems and getting tunnel ready for opening.
- Build connections between tunnel and existing roadways

**The tunnel will be free to use when it first opens**

Considerations in choosing when tolling will start:

- Time to test tolling equipment and systems
- Timing of Alaskan Way Viaduct demolition and other local construction projects

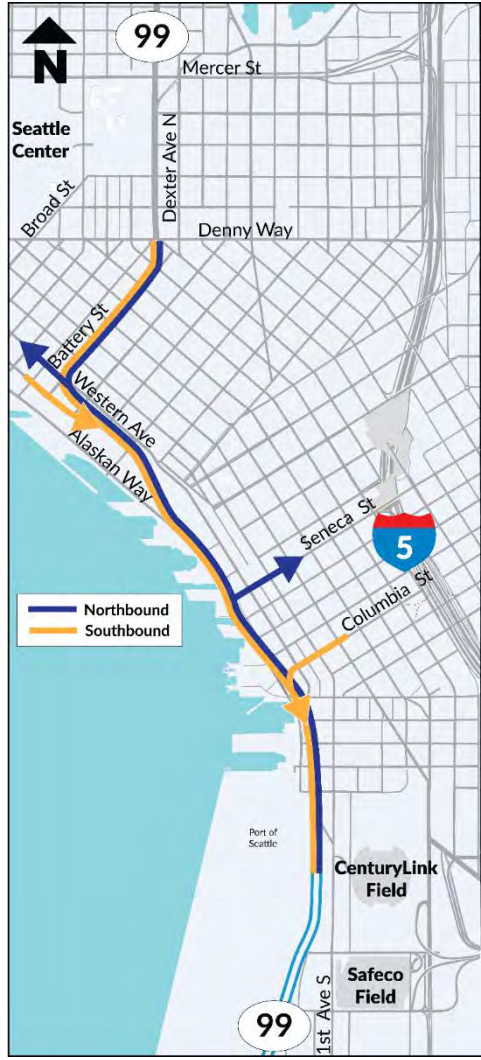




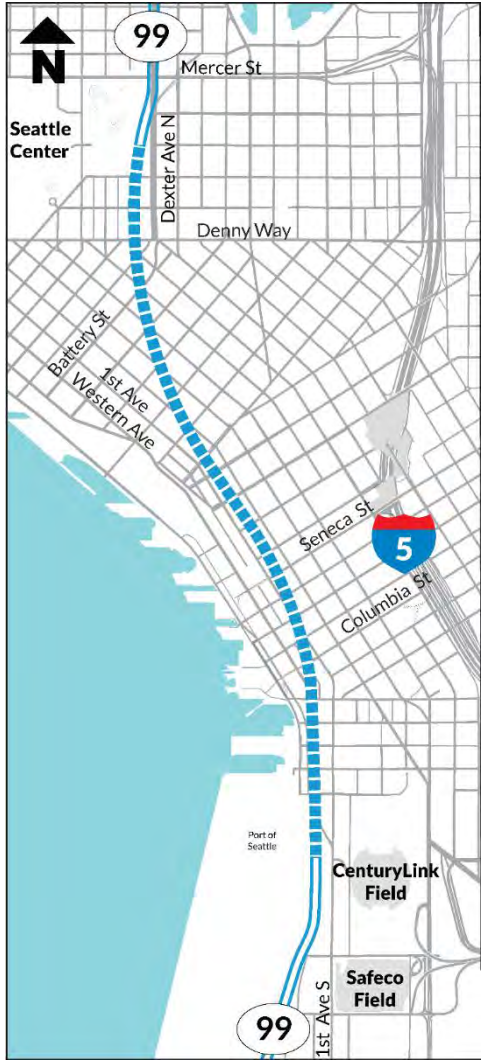
# Getting Around

The SR 99 tunnel will provide a direct route underneath downtown Seattle from the stadiums to the Space Needle.

Before



After



# Replacing the Viaduct

## Long term plan

- The tunnel is one part of the plan to replace the Alaskan Way Viaduct.
- The tunnel is designed to work together with a new Alaskan Way surface street that will be built in the footprint of the viaduct.
- This road will be a direct way to many parts of downtown, and will improve the connection between the waterfront and downtown Seattle.

## Changes over time

- Work to improve Alaskan Way will begin after the viaduct has been demolished.
- This project will be managed by the City of Seattle.



# Traffic Will Change

**Some trips people take today will become quicker with the tunnel, while other trips will become a little longer.**

## **What to expect at first**

- It will take time before traffic in Seattle settles into a new normal.
- Alaskan Way Viaduct demolition and several other major local construction projects will also affect traffic in Seattle.
- Many bus routes are planned to change around the same time.

## **Effect on traffic patterns**

- Regardless of tolls, drivers who currently use the viaduct to get into downtown will need to change their route no matter what.
- We expect the largest traffic shift to be from people who need to get into parts of downtown where the tunnel does not go.





# Traffic Monitoring

- WSDOT will gather and analyze data about traffic patterns at three time periods:
  - Before tunnel opens
  - After tunnel opens
  - After tolling starts
- Working closely with City of Seattle, King County and Port of Seattle.

## Monitoring Traffic



# How Tolling Will Work

## How To Pay

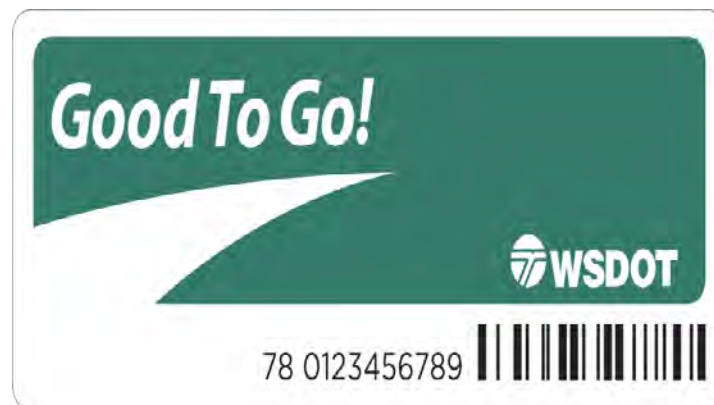
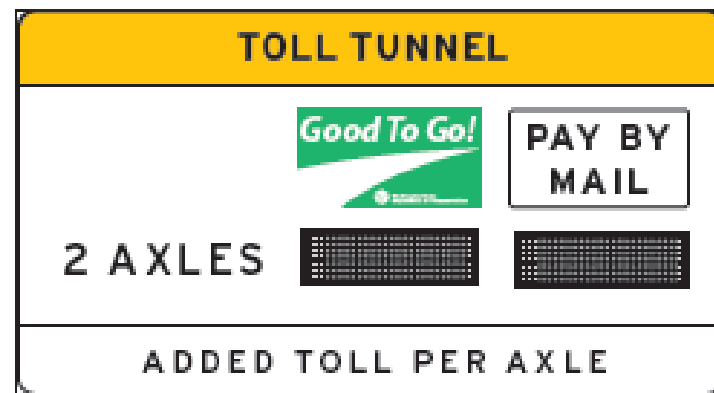
- Drivers will be charged as they exit the tunnel. Drivers will not need to slow down or stop at a toll booth.

## *Good To Go!*

- Drivers with a *Good To Go!* pass and account will pay the lowest toll rate.

## Pay By Mail

- Drivers without a *Good To Go!* account will pay an extra \$2 per toll, and will receive their toll bill in the mail.



# Tolling the Tunnel: Background

- The Legislature determined the SR 99 tunnel will be tolled to repay \$200 million borrowed to build the tunnel.
  - Toll revenues are a portion of the \$3.3 billion investment to replace the Alaskan Way Viaduct.
- Advisory Committee on Tolling and Traffic Management (ACTT) recommendations (2014)
  - Assessed traffic & revenue analysis, and provided toll rate recommendations.
  - Primary recommendations: set rates as low as possible to avoid diversion, and include toll rate escalation to provide for sustainable toll rates.
- Updated traffic & revenue analysis by WSDOT (2016-2018)
  - Updated traffic models, economic and population projections, and financial assumptions.
  - Analysis indicates need for higher toll rates than proposed by ACTT to meet financial obligations.

# Determining Toll Rate Options

- Collaboration with WSDOT, State Treasurer, and local stakeholder agencies
  - Policy goals
  - Financial obligations
  - Analysis of projected traffic, revenue, and diversion
  - Project timing
- Input from community stakeholders
- Updates and discussion at monthly Commission meetings
- Tour of the facility and SR 99 corridor
- Public input

# Rate Setting Goals

The Commission applied the following objectives in determining toll rate options:

- Minimize toll rates and diversion, particularly during initial years of tolling as downtown Seattle construction limits capacity of alternate routes.
- Provide sustainable toll rates that meet all legally required financial obligations.
- Support facility performance and a consistent toll payer experience across toll facilities.



# Financial Obligations

## **State law requires SR 99 Tunnel toll revenue will be used for these investments:**

- Tunnel Construction: repay \$200 million borrowed to build the tunnel
- Tunnel Operations, Maintenance, and Safety
  - Tolls will fund \$170 million for ongoing facility operations, maintenance, and safety as the tunnel construction investment is repaid.

## **Potential future investment: SR 99 Tunnel repair and replacement costs**

- In 2018, the Legislature required toll rates to not initially cover future repair and replacement costs for the SR 99 tunnel.
- Projected toll rate increases would need to be re-evaluated if the Legislature determines these costs should be covered by toll revenue.

## **Toll revenue would also cover costs to collect SR 99 Tunnel tolls:**

- Toll equipment, toll processing, and customer service costs
- In fiscal year 2017, WSDOT's cost to collect a toll was:
  - 53 cents per toll with a Good To Go! pass
  - \$1.22 per toll with Pay By Mail

# Proposed Toll Rate Options

The Washington State Transportation Commission is considering three possible options for how tolls\* would change at specific times of day and in the future:

\*Rates listed are the price for customers with a *Good To Go!* pass. Drivers without a *Good To Go!* account will pay an extra \$2 per toll.

## Option A

### WEEKDAYS



## Option B

### WEEKDAYS



## Option C

### WEEKDAYS



## Option A

Tolls increase 3 percent every three years starting 2022 (including nights & weekends).

## Option B

Tolls increase 3.5 percent a year from 2020 - 2024 (no change to nights & weekends).

## Option C

Tolls increase 5 percent in 2024, 2029, and 2034 (including nights & weekends).

### Notes:

- All rates are for 2 axle vehicles with *Good to Go!* pass. Rates increase per additional axle.
- Exemptions proposed to be consistent with other bridge facilities including buses, emergency vehicles, rideshare vans, highway maintenance vehicles, and incident response vehicles.
- Toll rates assume current financial assumptions.

# Proposed Toll Rate Options

## Common Features of All Three Toll Options

- Initial Toll Rates in effect from 2019 through at least June 2020.
- Consistent initial toll rates for peak, overnight, and weekend hours.
  - AM Peak Rates: \$1.50
  - PM Peak Rates: \$2.25
  - Overnight Rates: \$1.00
  - Weekend Rates: \$1.00
- Toll rate escalation assumed following initial toll rates.

# All Proposed Toll Rate Options Meet Goals & Financial Obligations

## Minimizing Toll Rates & Diversion

- Lower initial toll rates reduce impact on alternative routes during construction projects.
- Lower off-peak toll rates minimizes diversion to free alternative routes during the less congested off-peak hours.

## Providing for Sustainable Toll Rates

- Toll rate escalation provides for sustainable toll rates so financial obligations can be met.

## Supporting Facility Performance & Consistent Toll Payer Experience

- Proposed exemptions are consistent with state's other toll facilities, and support the effective use of the facility.

# Toll Rate Option A



**Option A**  
Tolls increase 3 percent every  
three years starting 2022  
(including nights & weekends).

## Option A – Highlights

- Most simple toll rate schedule.
- Maintains initial toll rates through June 2022.
- Long-term toll rate escalation plan best supports sustainable toll rates.

## Option A – Details

- Toll rates range from \$1.50 - \$2.25 during peak travel times, and go to \$1 overnight.
- The mid-day toll rate is \$1.25.
- There are 4 different toll rates over 6 time periods on weekdays.



# Toll Rate Option B



**Option B**  
Tolls increase 3.5 percent a year  
from 2020 – 2024  
(no change to nights & weekends).

## Option B – Highlights

- Lowest mid-day toll rate (\$1.00).
- Most weekday hours at lowest toll rate (\$1.00).
- Toll rates increase the most quickly, but are first to level off.
- Nights and weekend toll rates don't increase.

## Option B – Details

- Toll rates range from \$1.50 - \$2.25 during peak travel times, and go to \$1 overnight.
- The mid-day toll rate is \$1.00.
- There are 4 different toll rates over 8 time periods on weekdays.

# Toll Rate Option C



**Option C**  
Tolls increase 5 percent in 2024,  
2029, and 2034  
(including nights & weekends).

## Option C – Highlights

- Maintains initial toll rates for the longest time (through June 2024).
- Proposed toll rate increases are the largest, but also the least frequent.

## Option C – Details

- Toll rates range from \$1.50 - \$2.25 during peak travel times, and go to \$1 overnight.
- The mid-day toll rate is \$1.25.
- There are 5 different toll rates over 7 time periods on weekdays.

# SR 99: Proposed Toll Exemptions

- The Commission is considering toll exemptions for the following vehicles, consistent with the state's other tolled facilities:



**BUSES**



**RIDESHARE VANS**



**EMERGENCY VEHICLES**



**INCIDENT RESPONSE  
& MAINTENANCE  
VEHICLES**

- Visit [wstc.wa.gov](http://wstc.wa.gov) for more information on proposed changes to toll exemptions across the state.

# Rate Setting Schedule Going Forward

- Public comment on the three toll options is being collected now through July 17.
- An official proposal will be announced in mid-July 2018, followed by an additional public comment period.
- The Commission will host a public hearing and take final action to adopt the SR 99 Tunnel toll rates in the fall of 2018.



Washington State  
Transportation Commission



# Thank you

For More Information or to Comment:

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