



SR 520 2015 Toll Rate Adjustment

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Agenda

- Update on current FY 2015 Revised Forecasted and Reported Traffic
- Update on current FY 2015 Revised Forecasted and Reported Adjusted Gross Toll Revenue
- Update on current FY 2015 Revised Forecasted and Reported Net Toll Revenue
- Toll Rate Adjustment
 - Goals for Fiscal Year 2016 Rate Setting
 - Financial Tests
 - Certification Requirements
 - Toll Rate Proposal
 - 2-Axle Toll Rate Table for FY 2016

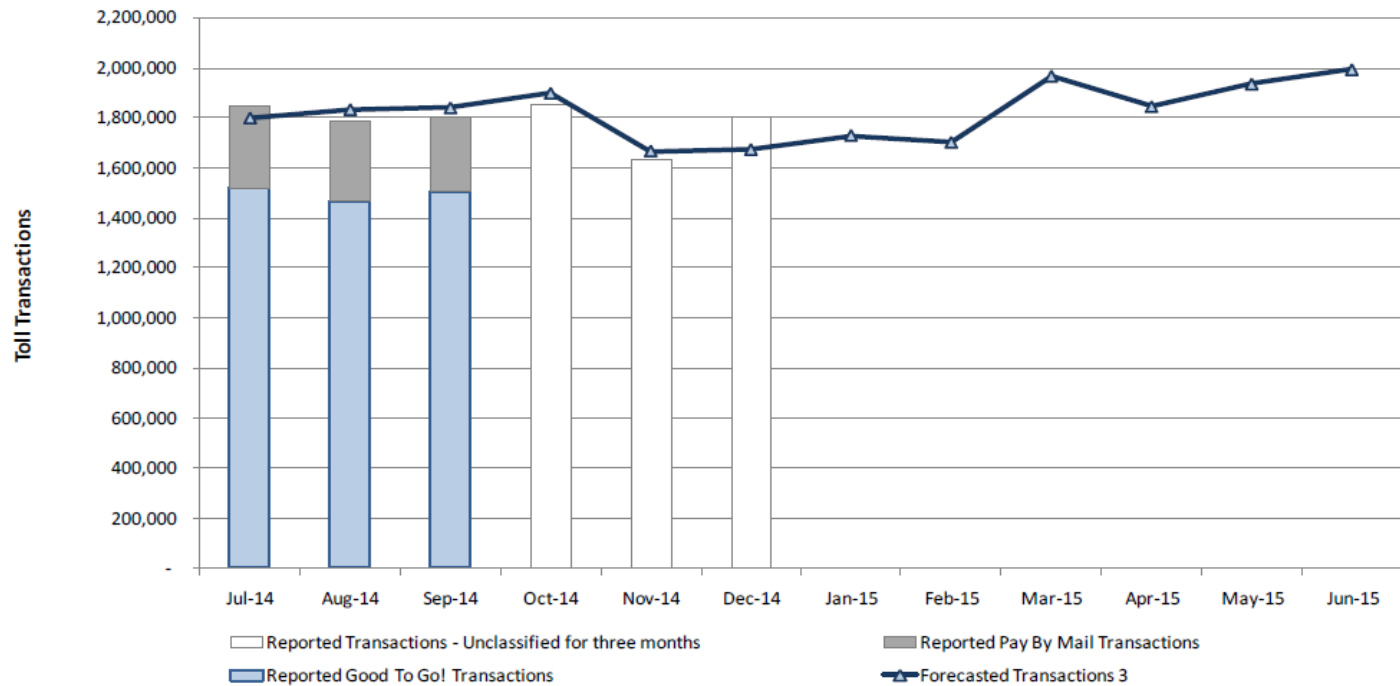
Update on Fiscal Year 2015



FY 2015 Forecasted and Reported Toll Transactions

Reported transactions are 0.2% above the revised forecast

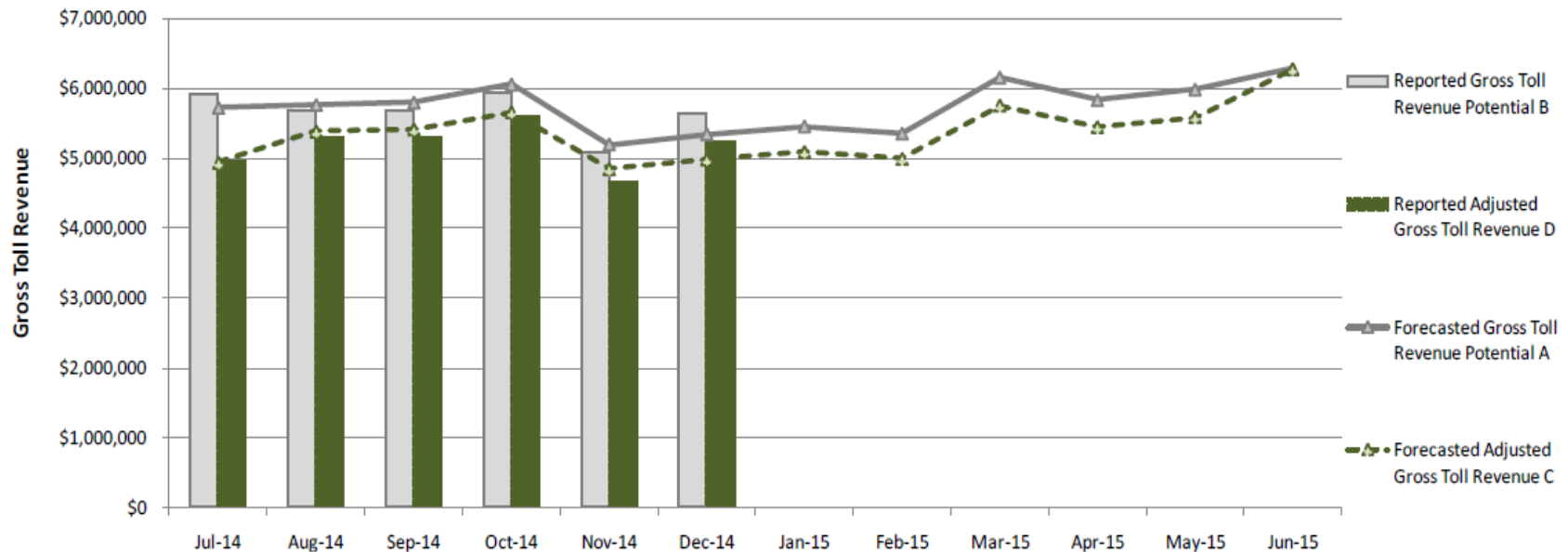
TOLL TRANSACTIONS	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Fiscal Year To Date	Annual Total
Forecasted Closure Days ¹	2.0	2.0	1.0	2.0	2.0	3.5	2.0	0.5	-	0.5	-	-	12.5	15.5
Reported Closure Days ²	2.0	2.0	1.1	2.0	2.0	-							9.1	
Forecasted Transactions ³	1,799,000	1,833,000	1,840,000	1,899,000	1,666,000	1,672,000	1,729,000	1,701,000	1,968,000	1,845,000	1,936,000	1,994,000	10,709,000	21,882,000
Reported Transactions ⁴	1,847,821	1,786,962	1,800,267	1,855,681	1,633,138	1,802,401							10,726,270	
Variance From Forecast	48,821	(46,038)	(39,733)	(43,319)	(32,862)	130,401							17,270	
Variance - % Change	2.7%	(2.5%)	(2.2%)	(2.3%)	(2.0%)	7.8%							0.2%	
Reported Good To Go!	82.3%	82.1%	83.8%	-	-	-	-	-	-	-	-	-	82.7%	
Reported Pay By Mail	17.7%	17.9%	16.2%	-	-	-	-	-	-	-	-	-	17.3%	



FY 2015 Forecasted and Reported Gross Toll Revenue

Reported Adjusted Gross Toll Revenue is **0.5% below** the revised forecast

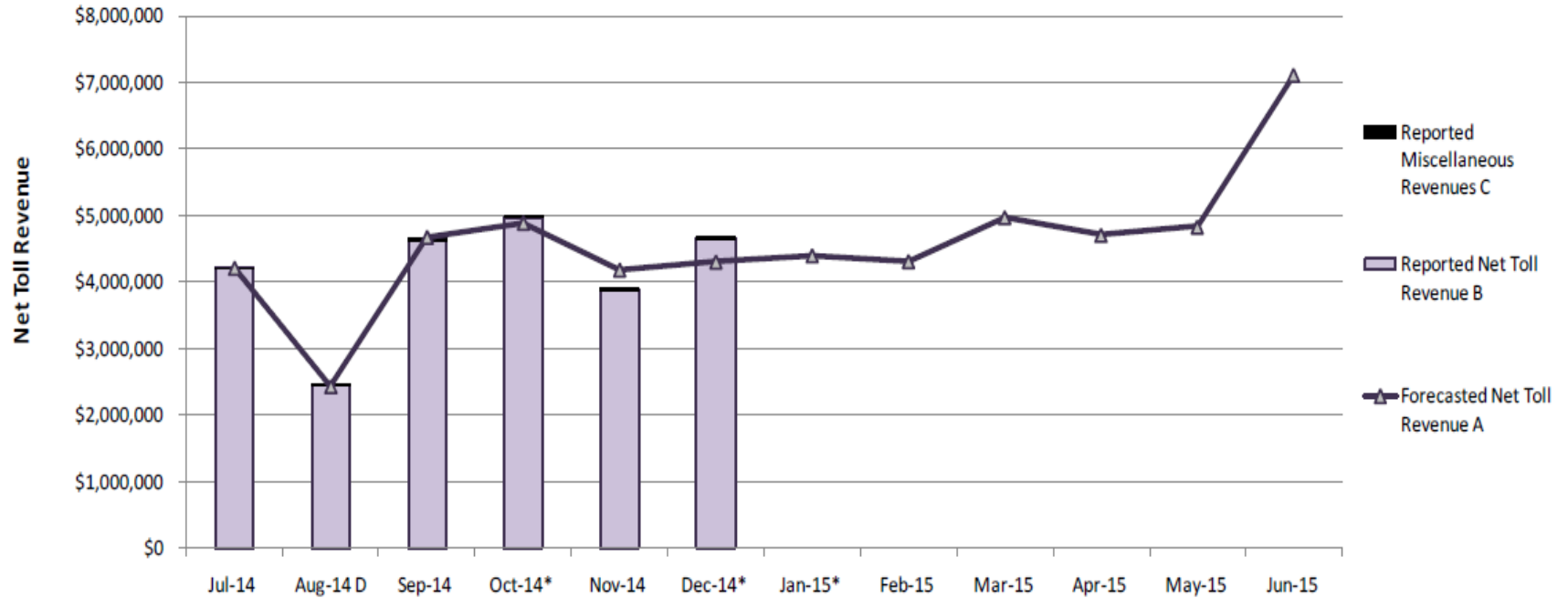
GROSS TOLL REVENUE	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Fiscal Year To Date	Annual Total
Forecasted Closure Days ¹	2.0	2.0	1.0	2.0	2.0	3.5	2.0	0.5	-	0.5	-	-	12.5	15.5
Reported Closure Days ²	2.0	2.0	1.1	2.0	2.0	-							9.1	
Forecasted Potential ^A	\$5,725,000	\$5,769,000	\$5,802,000	\$6,063,000	\$5,199,000	\$5,346,000	\$5,459,000	\$5,354,000	\$6,165,000	\$5,838,000	\$5,990,000	\$6,285,000	\$33,904,000	\$68,995,000
Reported Potential ^B	\$5,911,949	\$5,681,322	\$5,701,029	\$5,940,019	\$5,089,202	\$5,631,332							\$33,954,852	
Variance From Forecast	\$186,949	(\$87,678)	(\$100,971)	(\$122,981)	(\$109,798)	\$285,332							\$50,852	
Variance - % Change	3.3%	(1.5%)	(1.7%)	(2.0%)	(2.1%)	5.3%							0.1%	
Forecasted Adjusted ^{C,D}	\$4,944,148	\$5,387,000	\$5,417,000	\$5,661,000	\$4,854,000	\$4,992,000	\$5,098,000	\$4,999,000	\$5,756,000	\$5,451,000	\$5,592,000	\$6,271,852	\$31,255,148	\$64,423,000
Reported Adjusted ^E	\$4,961,388	\$5,308,963	\$5,308,762	\$5,607,737	\$4,674,862	\$5,233,513							\$31,095,225	
Variance From Forecast	\$17,241	(\$78,037)	(\$108,238)	(\$53,263)	(\$179,138)	\$241,513							(\$159,923)	
Variance - % Change	0.3%	(1.4%)	(2.0%)	(0.9%)	(3.7%)	4.8%							(0.5%)	



FY 2015 Forecasted and Reported Net Toll Revenue

Reported Net Toll Revenue is 0.2% above revised forecast through Dec.

NET TOLL REVENUE	Jul-14	Aug-14 D	Sep-14	Oct-14*	Nov-14	Dec-14*	Jan-15*	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Fiscal Year To Date	Annual Total
Forecasted Net Revenue ^A	\$4,220,148	\$2,436,000	\$4,684,000	\$4,897,000	\$4,191,000	\$4,312,000	\$4,406,000	\$4,318,000	\$4,980,000	\$4,713,000	\$4,836,000	\$7,121,852	\$24,740,148	\$55,115,000
Reported Net Revenue ^B	\$4,204,325	\$2,449,305	\$4,630,670	\$4,976,180	\$3,876,136	\$4,645,123							\$24,781,739	
Variance From Forecast	(\$15,823)	\$13,305	(\$53,330)	\$79,180	(\$314,864)	\$333,123							\$41,592	
Variance - % Change	(0.4%)	0.5%	(1.1%)	1.6%	(7.5%)	7.7%							0.2%	
Miscellaneous Revenues ^C	\$21,788	\$30,382	\$31,023	\$37,697	\$40,424	\$47,578							\$208,892	



Toll Rate Adjustment



Goals for Fiscal Year 2016 Rate Setting

- **Generate Toll Revenue sufficient to:**
 - Pay operating and maintenance expenses
 - Pay debt service
 - Meet the State's financial and other covenants under the Master Bond Resolution section 7.02

- **Maintain travel time, speed, and reliability**

Financial Tests

- Projected Net Revenues must meet the financial test in each and every fiscal year as long as there are bonds outstanding
- The financial test includes certain coverage ratios of net revenue, debt service and reserves
 - For Example:**
 - 1st Tier Bond : 2.00x ABT coverage/ 1.5x covenant
 - 3rd Tier Bond: 1.30x ABT coverage/ 1.25x covenant
 - 4th Tier Bond: 1.15x ABT coverage/ 1.1x covenant
- Provide “pay-go” construction funding.

Certificate Requirements

- **Resolution 1117, of the SR 520 Master Bond Resolution outlines specific requirements that must be met in order for the Tolling Authority to change rates.**
 - ✓ A certificate from a Traffic Consultant stating that the revised traffic and revenue projections are based upon reasonable assumptions;
 - ✓ A certificate from a Consulting Engineer stating that the projected operating and maintenance expenses are based upon reasonable and typical assumptions; and
 - ✓ A certificate from a representative of the Office of the State Treasurer stating that, based upon the information contained in the aforementioned certificates, that the projected annual net revenues for the current fiscal year through the final maturity of all outstanding bonds are sufficient to meet all bond coverage requirements and other covenants.

SR 520 Toll Rate Increase

Upon Commission approval, a 2.5% across the board increase on all SR 520 rates, rounded to the nearest nickel, will be implemented on July 1, 2015 per the requirements set forth in the administrative rule adopted by the Commission in 2011 (WAC 468-270-040)

- The rate increase results in an approximate \$0.10 increase in the peak period (rounded to the nearest nickel).
 - For example the peak period, weekday rate will increase from \$3.80 to \$3.90.
- The financial assumptions guiding rate setting, and noted in the administrative rule, are as follows:
 - 2.5 percent rate increase for fiscal years 2013, 2014, 2015, and 2016.
 - A one time rate increase in fiscal year 2017 once the new bridge is opened: 15 percent-weekdays; 2.5 percent-weekends.
 - No planned increases thereafter.
- **This year's planned 2.5% increase meets financial tests and requirements of the bond resolution as evidenced by the required three certificates:**
 - ✓ Certificate from the Traffic and Revenue Consultant (CDM Smith)
 - ✓ Certificate from the Consulting Engineer on operations and maintenance expenses (IBI Group, Inc.)
 - ✓ Certificate from the Office of the State Treasurer stating the proposed toll rate changes satisfy the Master Bond Resolution requirements.

SR 520 2-Axle Toll Rate Table for FY 2016

Assuming the planned 2.5% rate increase

2 Two-Axle Vehicle Toll Rate Table						
Monday through Friday	Good To Go	Pay By Mail	Pay By Plate	Short Term Account		
Midnight to 5 a.m.	\$ -	\$ -	\$ -	\$ -		
5 a.m. to 6 a.m.	\$ 1.80	\$ 3.45	\$ 2.05	\$ 2.95		
6 a.m. to 7 a.m.	\$ 3.10	\$ 4.70	\$ 3.35	\$ 4.20		
7 a.m. to 9 a.m.	\$ 3.90	\$ 5.55	\$ 4.15	\$ 5.05		
9 a.m. to 10 a.m.	\$ 3.10	\$ 4.70	\$ 3.35	\$ 4.20		
10 a.m. to 2 p.m.	\$ 2.45	\$ 4.15	\$ 2.70	\$ 3.65		
2 p.m. to 3 p.m.	\$ 3.10	\$ 4.70	\$ 3.35	\$ 4.20		
3 p.m. to 6 p.m.	\$ 3.90	\$ 5.55	\$ 4.15	\$ 5.05		
6 p.m. to 7 p.m.	\$ 3.10	\$ 4.70	\$ 3.35	\$ 4.20		
7 p.m. to 9 p.m.	\$ 2.45	\$ 4.15	\$ 2.70	\$ 3.65		
9 p.m. to 11 p.m.	\$ 1.80	\$ 3.45	\$ 2.05	\$ 2.95		
11 p.m. to 11:59 p.m.	\$ -	\$ -	\$ -	\$ -		
Saturday & Sunday	Good To Go	Pay By Mail	Pay By Plate	Short Term Account		
Midnight to 5 a.m.	\$ -	\$ -	\$ -	\$ -		
5 a.m. to 8 a.m.	\$ 1.25	\$ 2.85	\$ 1.50	\$ 2.35		
8 a.m. to 11 a.m.	\$ 1.85	\$ 3.50	\$ 2.10	\$ 3.00		
11 a.m. to 6 p.m.	\$ 2.40	\$ 4.10	\$ 2.65	\$ 3.60		
6 p.m. to 9 p.m.	\$ 1.85	\$ 3.50	\$ 2.10	\$ 3.00		
9 p.m. to 11 p.m.	\$ 1.25	\$ 2.85	\$ 1.50	\$ 2.35		
11 p.m. to 11:59 p.m.	\$ -	\$ -	\$ -	\$ -		

Questions?

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