

# SR 99 Tunnel Planned Rate Adjustment

January 19, 2021

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Washington State Transportation Commission

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WSP USA

# SR 99 Tunnel – Planned 3% Toll Rate Increase

- In 2018, the Commission adopted planned 3% toll rate increases, every three years, for the SR 99 tunnel starting July 1, 2022, subject to Commission confirmation and possible adjustment, ahead of each planned increase (*WAC 468-270-040*)
- The 3% toll rate increase equates to a 5 cent increase in off-peak and morning peak hours, and a 10 cent increase during evening peak hours
- The 15% toll rate increase adopted in August 2021 – necessary to address COVID impacts and tunnel repair & replacement costs – assumed the planned 3% toll rate increases
- Today's requested action is to confirm your approval of the planned 3% toll rate increase in July, and to place the toll rate tables in the WAC which will go into effect on July 1 of this year
- Taking action today will provide the public with advanced information and enables WSDOT to initiate outreach and communications well ahead of this upcoming toll rate adjustment

# Existing & Planned 2022 Toll Rates with 3% Increase Applied

Planned 3% toll rate increase includes rounding of toll rates to the nearest nickel (\$0.05)



All toll rates are for 2-axle vehicles with Good to Go! pass  
 Weekend toll rates are \$1.20 all day (the weekday overnight toll rate)

# SR 99 Tunnel Traffic & Revenue

## Traffic Forecast Comparison

### SR 99 Tunnel Traffic Volumes w/Uniform 15% Toll Increase

*Forecasts Assume the Planned 3% Toll Rate Increase Every 3 Years Starting in FY 2023*

<b>Fiscal Year</b>	<b>June 2021 TRFC w/15% Increase</b>	<b>Nov 2021 TRFC w/15% Increase</b>	<b>Transaction Difference</b>	<b>% Difference</b>
2022	12,731,000	12,794,000	63,000	0.5%
2023	14,460,000	14,480,000	20,000	0.1%
2024	15,413,000	15,413,000	0	0.0%
2025	15,606,000	15,606,000	0	0.0%
2026	15,726,000	15,726,000	0	0.0%
2027	15,929,000	15,929,000	0	0.0%
2028	16,134,000	16,134,000	0	0.0%
2029	16,275,000	16,275,000	0	0.0%
2030	16,478,000	16,478,000	0	0.0%
2031	16,710,000	16,710,000	0	0.0%

# SR 99 Tunnel Traffic & Revenue

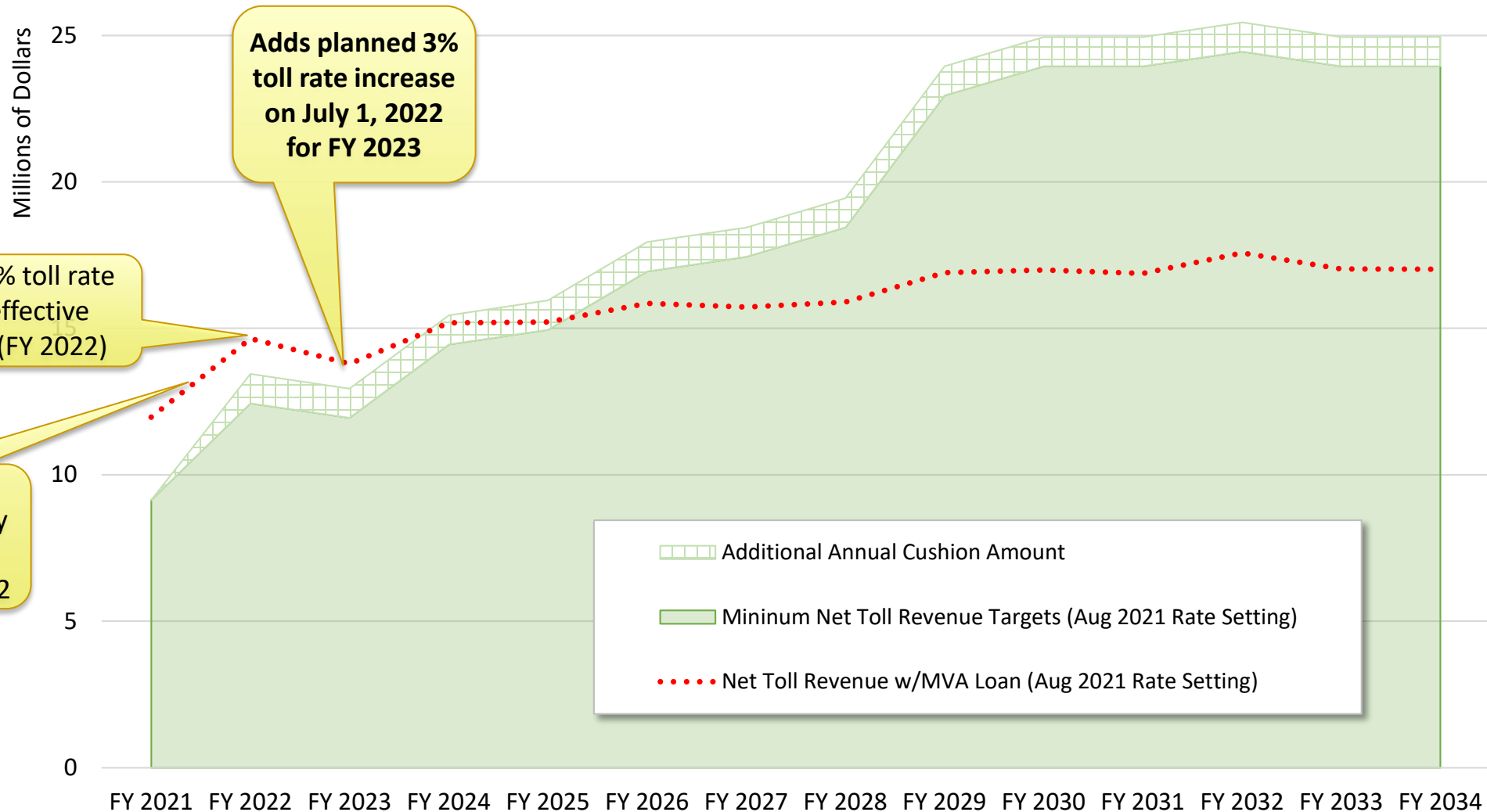
## Revenue Forecast Comparison

### SR 99 Tunnel Adjusted Gross Toll Revenue w/Uniform 15% Toll Increase

*Forecasts Assume the Planned 3% Toll Rate Increase Every 3 Years Starting in FY 2023*

<b>Fiscal Year</b>	<b>June 2021 TRFC w/15% Increase</b>	<b>Nov 2021 TRFC w/15% Increase</b>	<b>\$ Difference</b>	<b>% Difference</b>
2022	\$ 23,527,000	\$ 23,742,000	\$215,000	0.9%
2023	\$ 28,269,000	\$ 28,593,000	\$324,000	1.1%
2024	\$ 29,950,000	\$ 30,247,000	\$297,000	1.0%
2025	\$ 30,189,000	\$ 30,477,000	\$288,000	1.0%
2026	\$ 31,086,000	\$ 31,375,000	\$289,000	0.9%
2027	\$ 31,332,000	\$ 31,624,000	\$292,000	0.9%
2028	\$ 31,616,000	\$ 31,908,000	\$292,000	0.9%
2029	\$ 32,593,000	\$ 32,886,000	\$293,000	0.9%
2030	\$ 32,864,000	\$ 33,158,000	\$294,000	0.9%
2031	\$ 33,185,000	\$ 33,480,000	\$295,000	0.9%

# SR 99 Tunnel Toll Rate Setting Analysis Results



MVA loan bolsters net toll revenues by \$13 M in FY 2021 and \$6 M in FY 2022

Adopted 15% toll rate increase effective 10/1/2021 (FY 2022)

Adds planned 3% toll rate increase on July 1, 2022 for FY 2023

Additional Annual Cushion Amount  
 Minimum Net Toll Revenue Targets (Aug 2021 Rate Setting)  
 Net Toll Revenue w/MVA Loan (Aug 2021 Rate Setting)



# Requested Action

- Confirm approval of the planned 3% toll rate increase for the SR 99 tunnel, effective July 1, 2022
- Approval enables the placement of the adjusted SR 99 tunnel toll rate tables in the WAC in advance of their effective date and makes technical clarifications.

## Next Steps:

- Continue to monitor SR 99 tunnel traffic and revenue to ensure the 3% continues to be sufficient for meeting financial needs.

# Timeline for Rule Making

- January 19, 2022
  - Commission approval to proceed with rulemaking (CR 105)
- February 2, 2022
  - Proposed WAC changes published in Washington State Register
- March 21, 2022
  - File final form (CR 103) to finalized changes
- April 21, 2022
  - Changes to WAC final
- July 1, 2022
  - 3 percent toll rate increase takes effect



# Contact Information

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