



# I-405 / SR 167 Express Toll Lanes

*2024 Rate Setting*

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# Purpose



Recap legislative direction



Review current performance and analysis results



Public input & selection of final toll rate scenario



# Legislative Direction & Planned Approach

# Situation Assessment

- Current law requires toll rates support corridor performance and funding for improvements to the 50-mile ETL corridor
  - Increased traffic congestion has resulted in failure to meet corridor performance goals
  - Increased funding for improvements in the corridor is necessary to address shortfall for recently awarded corridor projects and on-going funding needs for further corridor improvements
- Toll rates have not been adjusted since they were set on SR 167 over 15 years ago, and over 8 years ago on I-405

# How I-405 / SR 167 ETLs Operate

Operational goal of the ETLs is to provide travel speed reliability for HOV, transit and paid trips.

Dynamic pricing is used to manage lane operations:

- When lane use is low, toll rate goes to minimum
- When lane use approaches capacity, toll rate increases, up to maximum
- Intent is to fill, but not overfill the lanes so that speeds and performance can be maintained

# Legislative Direction on I-405 / SR 167 ETL Toll Rates

- The law (*RCW 47.56.880*) directs the Commission to periodically review I-405 / SR 167 ETL toll rates against traffic performance of all lanes to determine if the toll rates are effectively maintaining travel time, speed, and reliability
- I-405 / SR 167 ETLs toll revenues are dedicated to the corridor, and may only be used to pay for the facilities' operating costs, debt service, and to fund projects identified in the corridors' master plan (*RCW 47.56.880 & RCW 47.56.820*)

# Additional 2023 Legislative Direction

- In the 2023-25 transportation budget (ESHB 1125), the Legislature directed the Commission to review toll revenue performance on the I-405 / SR 167 ETL corridor, and encouraged adjustment of the I-405 ETL toll rates
  - Stated intent is to increase toll revenue to provide sufficient funds for payment of future debt and to support improvements to the corridor, within the parameters of requirements in current law (RCW 47.56.880)
  - Encouraged the Commission to make adjustments to toll rates in coordination with the planned expansion of the ETLs between Renton and Bellevue
- Further guidance and input was provided in a letter from legislative membership requesting the Commission consider potential toll rate increases for the I-405 and SR 167 ETLs as part of a solution to the funding gap for corridor projects

# I-405 / SR 167 ETL Project Costs Exceed Estimates

- The Legislature directed WSDOT to identify approaches to help close the funding gap, and in response WSDOT submitted an updated financial plan for the corridor to the Legislature in January 2024.
  - Bids for recently awarded projects for the I-405 / SR 167 ETLs corridor came in \$275 million over cost estimates and planned funding.
  - External cost and risk factors are creating construction cost escalations nationally and locally, largely driven by:
    - Inflation
    - Workforce shortages
    - Material cost increases and availability





# Review of Current Performance: I-405 / SR 167 Express Toll Lanes

# Current I-405 / SR 167 ETL Corridor Performance

The I-405 and SR 167 corridors are experiencing increased congestion in both the general purpose and express toll lanes.

October 2022 to October 2023 travel times\* on I-405 and SR 167 indicate growing travel times:

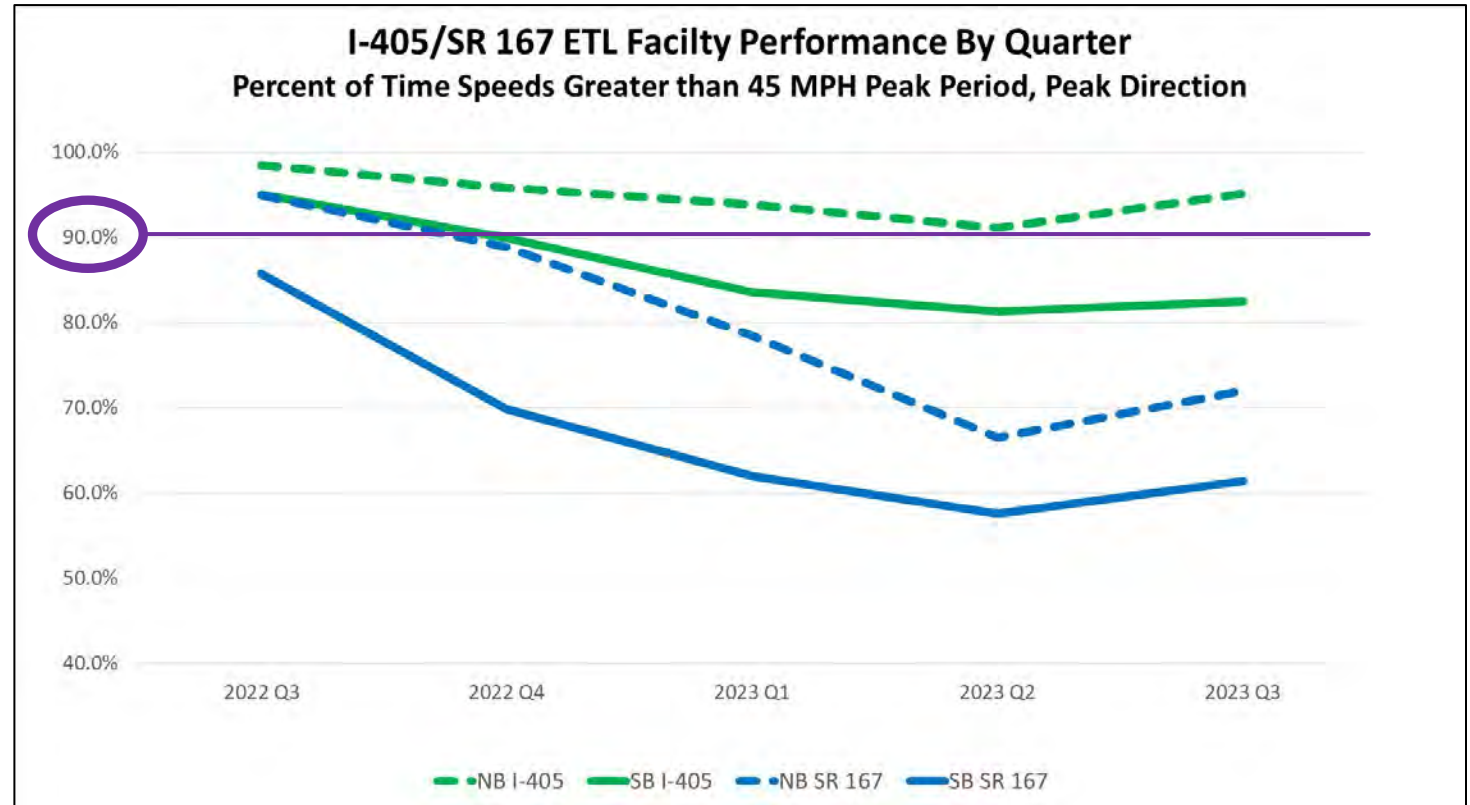
- General purpose lane travel times increased by 3-9 minutes
- Express toll lane travel times increased by 1-3 minutes

Transit service during peak hours can require twice as much time due to congestion levels in the ETLs.

*\*Peak period peak direction commutes, entire ETL length.*

# I-405 / SR 167 ETL Performance Trends

- Target performance is 45 MPH 90% of the peak period
- Northbound I-405 is the only facility currently meeting the metric
- Two lane sections of the ETL system perform better than the single lane sections



# Current I-405 / SR 167 Toll Rates

(September 2023)

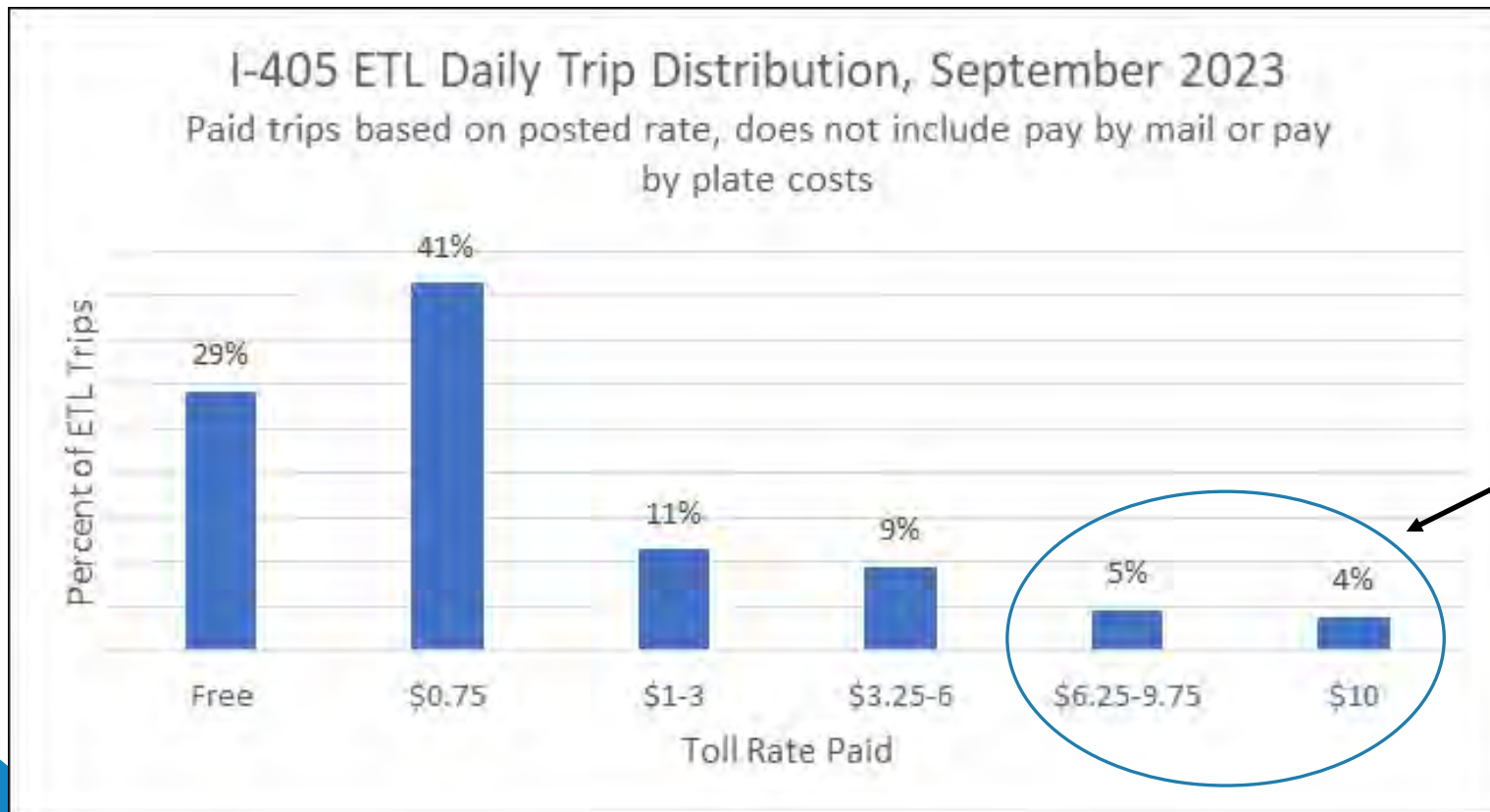
- Average daily toll rates\*:
  - I-405 ETLs: \$2.41
  - SR 167 HOT lanes: \$3.36
- Maximum toll rates\* apply to a small percentage of daily trips:
  - 4 % of trips on I-405 ETLs
  - 8 % of trips on SR 167 HOT lanes
  - Maximum rates only seen during peak hours, responding to high lane use.

*\*Based on posted rates, does not include pay by mail or pay by plate*

# Current Toll Rates on I-405

**70% of daily trips on the I-405 ETLs are either free, or under \$1**

- 29% of the trips in the I-405 ETLs are free
- 41% of the trips in the I-405 ETLs pay the minimum toll
- 4% of the trips in the I-405 ETLs pay the \$10 maximum

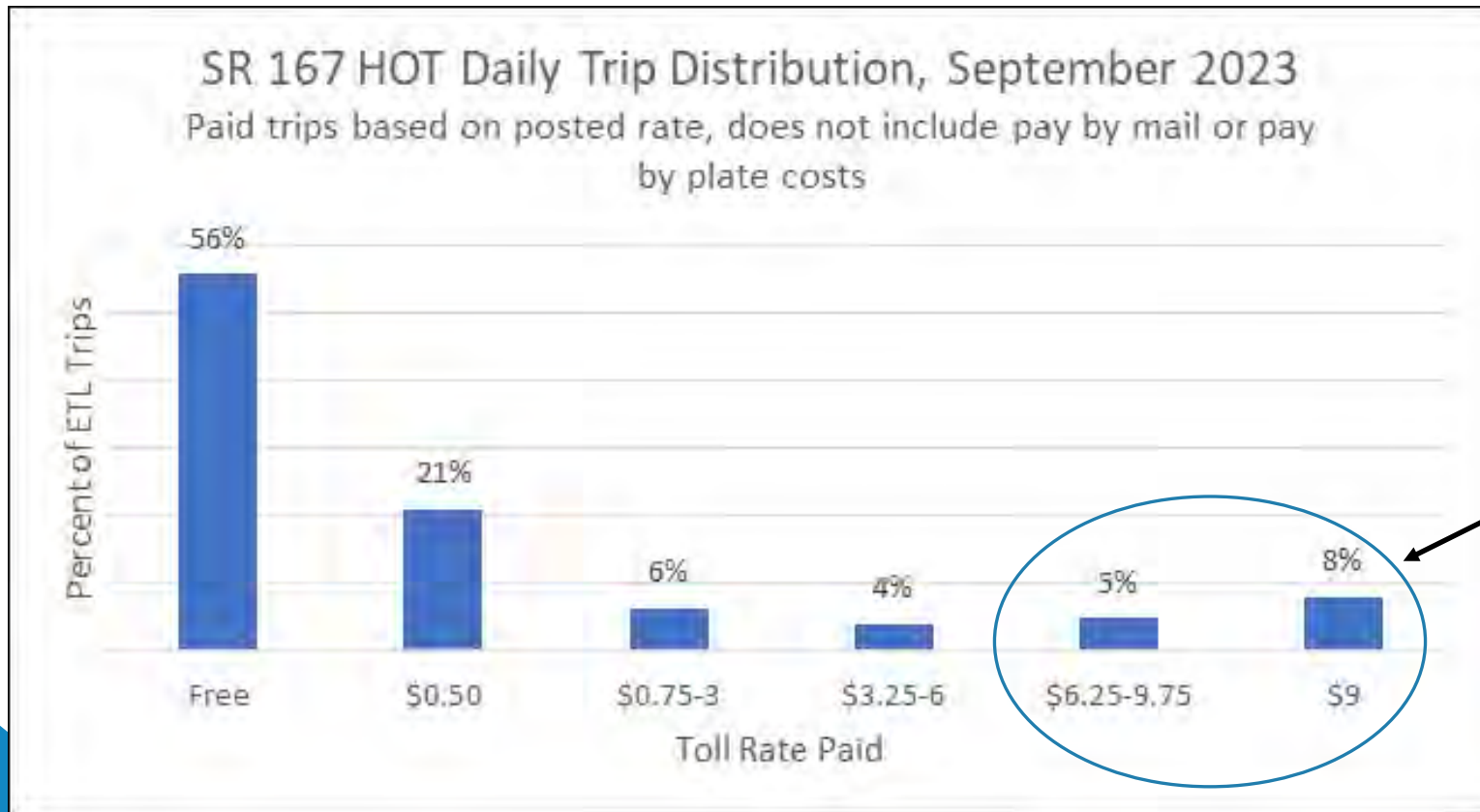


Tolls expected to be most impacted by increase in maximum rate

# Current Toll Rates on SR 167

**77% of daily trips on the SR 167 HOT lanes are either free or under \$0.75 cents**

- 56% of the trips in the SR 167 HOT lanes are free
- 21% of the trips in the SR 167 HOT lanes pay the minimum toll
- 8% of the trips in the SR 167 HOT lanes pay the \$10 maximum



Tolls expected to be most impacted by increase in maximum rate

# I-405 / SR 167 Performance Updates

Preliminary data indicates that traffic performance remains consistent with the information shared in support of the Commission's selection of the preferred toll rate option in December 2023 (data through September 2023):

- Performance on I-405 ETLs and SR 167 HOT lanes has continued the long-term trend of gradually declining from previous levels.
- Average daily toll rates in October 2023 on I-405 ETLs and SR 167 HOT lanes remained similar to September 2023.
- The percent of all trips that paid the maximum toll rate in October 2023 on each facility was generally the same as September 2023.



# Review of Tolling Analysis Results



# Analysis Results – Traffic Performance

Traffic performance impacts of rate changes:

- An increased maximum toll rate will enable better management of traffic demand during peak hours, working towards our goal of 45 mph 90% of the time.
- Anticipated ETL traffic performance:
  - \$15 / \$1 –material improvement in ETL operations
  - \$12 / \$1 –little improvement in ETL operations
- Traffic performance for the general-purpose lanes is not expected to have a noticeable change.
- Transit speed and reliability is anticipated to improve.

# Analysis Results – Traffic Performance

## Current 7-8 PM Traffic Conditions (September 2023)

- Northbound I-405 Bellevue to Lynnwood general purpose lanes experience congestion about 50% of the weekdays. Express toll lanes experience congestion around 10% of weekdays.
  - Average toll rate at \$2.00 – \$3.00 approaching 7pm
- Southbound I-405 Bellevue to Lynnwood general purpose lanes experience congestion about 25% of the weekdays. Express toll lanes do not have congestion.
- Southbound SR 167 general purpose and express toll lanes experience congestion about 30% of weekdays.

## Current Weekend Traffic Conditions (September 2023)

- Recurring congestion in general purpose lanes during daytime hours. Little to no recurring congestion on express toll lanes for either facility.

## Analysis Results – Revenue Impacts

- Toll rate increases from Phase 1 are expected to continue to contribute higher revenues well beyond the ranges for March 2024 – June 2025 with implementation of additional policy changes as part of Phase 2 implementation in mid-2025.
- Long-term revenue impacts will be assessed through FY 2057 as part of the Phase 2 modeling analysis in anticipation of the below project's toll commencements in mid 2025:
  - I-405 ETLs - Renton to Bellevue
  - SR 167 Corridor Improvement



# Selected Preferred Toll Rate Option

# I-405 / SR 167 Toll Rate Adjustment Options

On December 12, the Commission selected **Option 3** as the preferred toll rate option for further public comment.

	Current Toll Rates	Option 1	Option 2	Option 3	Option 4
I-405 ETLs min/max rates	\$0.75 / \$10.00	\$1.00 / \$15.00	\$1.00 / \$12.00	\$1.00 / \$15.00	\$1.00 / \$15.00
SR 167 HOT lanes min / max rates	\$0.50 / \$9.00	\$1.00 / \$15.00	\$1.00 / \$12.00	\$1.00 / \$15.00	\$1.00 / \$15.00
Hours of Operation for Both Facilities*	5am – 7pm	5am – 7pm	5am – 7pm	5am – 8pm	5am – 8pm
Weekend Tolling (HOV 2+)	SR 167 Only	SR 167 Only	SR 167 Only	SR 167 Only	SR 167 & I-405

**\* Notes on Hours of Operations:**

- On I-405, 7-8pm would be at HOV 3+ on weekdays;
- Per current operations, tolling only on weekdays for I-405, 7 days a week for SR 167

# I-405 / SR 167 Toll Rate Adjustment Options

The Commission's preferred toll rate option, Option 3, provides the following benefits:

- Anticipated to provide material improvements in ETL operations resulting in benefits for transit, carpools, and paying customers without noticeable impacts on general purpose lane performance.
- Increases potential revenues by \$1.1 – \$2.5 million with the extension of tolling hours of operations from 7-8pm, compared to Option 1, for a total of \$4.8 - \$8.3 million.
- Tolling of the 7-8pm hour on the I-405 ETLs and the SR 167 HOT lanes will provide for traffic management during a time of day frequently experiencing congestion for peak direction traffic.

# Analysis Results – Revenue Impacts

## March 2024-June 2025

	Option 1	Option 2	Option 3	Option 4
<b>Option Summary</b>	\$15/\$1	\$12/\$1	\$15/\$1, +7-8pm	\$15/\$1, +7-8pm, +I-405 weekends
<b>I-405 ETLs</b>	\$3M - \$4.7M	\$2M - \$2.4M	\$3.8M - \$6.7M	\$5.6M - \$10.6M
<b>SR 167 HOT lanes</b>	\$0.8M - \$1.1M	\$0.9M - \$1.3M	\$1M - \$1.6M	\$1M - \$1.6M
<b>Total</b>	<b>\$3.7M - \$5.8M</b>	<b>\$2.9M - \$3.8M</b>	<b>\$4.8M - \$8.3M</b>	<b>\$6.5M - \$12.2M</b>

Note: All four cases assume weekend toll collection on SR 167 per the current practice.



# Summary of Outreach & Public Input



# Summary of Outreach

## Outreach:

- Engagement with jurisdictions in the I-405 / SR 167 corridor through I-405 / SR 167 Interagency Working Group and Executive Advisory Group.
- November 13 WSTC virtual public input meeting with public comment opportunities at December 2023 and January 2024 Commission meetings.
- Formal public comment period following selection of preferred toll rate scenario on December 12, 2023, with written comments accepted through January 22, 2024.
- Email to *Good to Go!* account holders, as well as WSTC media release, and information posted to website and social media feeds.

# Summary of Local Jurisdiction Input

## Summary of Local Jurisdiction Input:

- Support from City of Bellevue as means to improve traffic management and help fund necessary projects.
- Support from City of Auburn for extension of tolling, with opposition to the amount of the maximum toll rate increase.
- Opposition from King County Councilmember Reagan Dunn, Bellevue Chamber of Commerce, and a local CEO of several small businesses with concern about impacts of higher toll rates on residents, employees, and cost of business.

# Summary of Public Input

**Nearly 5,000 comments were received by email during the public comment period on the Commission's preferred option**

- About 4,200 email comments opposed the proposal
- About 300 email comments supported the proposal
- About 500 email comments didn't directly comment on the proposal (categorized as "other")



# Summary of Public Input

## Categories of “opposed” comments:

- Concerns about equity and the effect of higher tolls on lower-income drivers
- Concerns about higher rates exacerbating other increases in the costs of driving (higher gas prices and the cost of vehicle registration, for example)
- Concerns that higher toll rates would increase toll evasion and weaving in and out of tolled lanes

## Of the “opposed” comments:

- Nearly 10 percent advocated for another “option” previously under consideration by the WSTC (with most supporting the \$12 maximum toll rate)
- A small slice (2 percent) expressed specific opposition to extending evening tolling from 7 p.m. to 8 p.m. on both facilities



# Summary of Public Input

## Categories of “support” comments:

- Support of increasing revenues to maintain roads in the corridor
- Support to reduce congestion in the lanes and improve performance for users, including public transit
- Support for encouraging carpooling and the use of mass transit



# Summary of Public Input



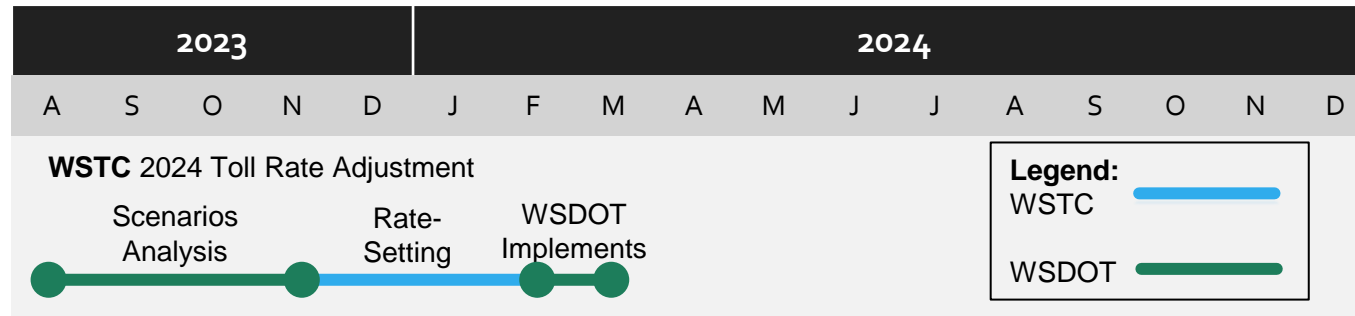
## Categories of “other” comments:

- Neutral about rate increase
- Further questions about the proposal without expressing an opinion
- Discussed other topics, such as tolling in other locations or feedback on tolling policies



# Next Steps

# Rate Setting Timeline



## Phase 1: Key Rate Setting Steps:

- **November 13 Special Meeting:** Receive preliminary financial and performance analysis and take public input
- **December Commission Meeting (Dec 13):** receive final analysis and select toll rate adjustment proposal for public review and comment – *File CR 102*
- **January Commission Meeting (Jan 17-18):** take public input on selected toll rate adjustment proposal
- **January 29 Special Meeting (9am):** hold final hearing to take public comment and adopt toll rate adjustment – *File CR 103*
- **March 1:** toll rate adjustment takes effect





# Public Comment



# Discussion

# Thank you!

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