
May 2024 Bi-State Tolling Subcommittee Notes – May 23, 2024

Location: IBR Program Office, Virtual

Attendees

Bi-State Tolling Subcommittee Members

Lee Beyer (OTC, Vice-Chair); Alicia Chapman (OTC, Member); Nicole Grant (WSTC, Alternate for Commissioner Jennings); Jim Restucci (WSTC, Vice-Chair)

Staff / Other Attendees

Brent Baker (IBR); Ed Barry (WSDOT); Travis Brouwer (ODOT); Shalini Dasigi (IBR)
Frank Green (IBR); Reema Griffith (WSTC); Meghan Hodges (IBR); Kristopher Strickler (ODOT);
Carl See (WSTC);

IBR Program and WSDOT Toll Operations Update – Frank Green & Ed Barry

Frank Green, Interstate Bridge Replacement Program (IBR) Assistant Program Administrator, shared a high-level program schedule reflecting ongoing work to identify IBR program milestones. IBR is working through the federal environmental process and aims to publish the Draft Supplemental Environmental Impact Statement this fall. The program continues to advance design and examine funding options.

Ed Barry, Washington State Department of Transportation (WSDOT) Toll Division Director, provided an update on WSDOT's transition to the IBR toll administrator. WSDOT is creating a transition plan, project management plan to help guide operations, and initial budget. IBR will use WSDOT's back office and existing vendors.

Discussion

A question was raised about when the program anticipates receiving a Record of Decision. Frank Green shared that a Record of Decision is expected in the third or fourth quarter of 2025.

There was a request for an update on IBR's work with the US Coast Guard. Frank shared that IBR is working closely with the Coast Guard and users identified as potentially impacted by a fixed bridge design. He noted that it is anticipated that the Coast Guard will revise their preliminary navigation determination if agreements are reached with impacted users, and the program is able to demonstrate that no one is affected by the fixed bridge design.

A question was asked about whether tolling policies were consistent across all Washington State toll facilities or if there were differences between projects. Ed Barry shared that each toll facility has room for variation, but WSDOT and the Washington State Transportation Commission (WSTC) try to make them as consistent as possible.

Level 2 Traffic and Revenue Analysis Results – Brent Baker

Brent Baker presented an overview of and results for the four additional level 2 traffic & revenue scenarios the Subcommittee requested. Scenarios H and J assume no Oregon toll projects, while Scenarios I and K include tolling on the Abernethy Bridge. Scenarios J and K also include lower pre-completion tolls. All additional scenarios include a low-income toll program, more time-of-day variability, and deferred toll escalation. Scenario F2 was also added and analyzed to demonstrate the change in costs with WSDOT as the toll administrator, which was shown to result in a minor cost savings.

Discussion

A question was identified about how commercial trucks usually pay. It was shared that few commercial trucks pay by mail, but that the Level 3 Traffic and Revenue Study will analyze freight in more detail.

Carl See, WSTC Deputy Director, asked if there has been any update on roadside technology that will be used for trucks. Ed Barry shared that WSDOT is still considering which technology will be used and noted that different technology could be used for pre-completion tolling than post-completion tolling.

There was a discussion around commute patterns. The scenarios assume that higher peak period tolls will incentivize non-commuters to shift their trips to a lower-cost time of day.

Carl See asked if the average weekday traffic chart is masking a larger issue with directional traffic. Brent Baker noted the chart shows condensed average weekday traffic, I-5 southbound is more congested in the morning while I-5 northbound sees more congestion in the evening.

A comment was made that high-wage earners are more able to choose to work from home rather than pay tolls. A question was asked about how many bridge users are expected to be eligible for the low-income toll program. It was noted that 11% of total bridge users are expected to be eligible for the low-income program and that only 60% of those eligible are anticipated to participate. A question was also asked about how many of those estimated participants are likely to be commuters. It was noted that this information could be brought back, but that most of those that are anticipated to use a low-income toll program are expected to be regular users. Carl See later asked what implementation costs would be associated with the low-income toll program. Brent Baker noted that this was not incorporated in the Level 2 analysis, but it is expected that there would be additional capital costs for a low-income program. Support was conveyed for implementing a low-income program as soon as would be possible based on implementation and timeline considerations. Concerns were also shared about low-income tolling not being available on other WSDOT toll facilities. It was also discussed that a scenario not including a low-income toll program during pre-completion tolling be considered.

The discussion transitioned to truck toll rates. A question was asked about what the toll rate for heavy trucks would be and if trucks would be likely to divert their trips. Toll rates for trucks studied varied depending on whether they hold an account or pay by mail, and depending on the number of axles and proposed toll rate for trucks studied in each scenario. Freight could use the Glenn Jackson Bridge to avoid tolls or they could choose to shift their trips to a lower-cost time of day. It was later discussed that the truck toll rate multiplier was unlikely to significantly impact drivers' habits. Comments were made about keeping truck toll rates consistent with Washington's other toll facilities.

A question was asked if the cost to collect unpaid tolls exceeds revenue and how the number of tolls collected compares to other programs. The Level 3 study will analyze in more detail the cost of unpaid tolls beyond two invoices, which would include a civil penalty. It was noted that WSDOT collects more than 90% of tolls which is similar to what other programs nationally experience.

A question was asked about how the costs for toll collection would be allocated to the Interstate Bridge toll facility from WSDOT. It was noted that the majority of costs will be based on the number of transactions at each facility.

A question was asked about whether the public uses WSDOT's walk-in customer service centers. Ed Barry noted that WSDOT no longer has walk-in customer service centers and is working to determine if there would be permanent or temporary centers for IBR. WSDOT has been able to reduce costs and still provide customer service in Puget Sound without permanent facilities.

The discussion then focused on toll rate escalation. The group discussed whether adjusting the toll rates three months after collection begins based on inflation would make sense. There was general agreement that the plan for the inflation should be an adjustment a year and three months after tolling begins rather than three months after tolling begins. It was also requested that the Level 3 traffic and revenue study include analysis that accounts for the possibility of increased costs due to trends in the construction industry and setting rates to help cover some of those costs in case that is something the IBR program experiences.

Level 3 Scenario Development – Brent Baker, Carl See, and Travis Brouwer

Carl See and Travis Brouwer stressed that the Subcommittee should focus on which Level 3 traffic & revenue scenarios they would like to recommend to the full commissions rather than final decisions. This will allow the team to understand where to start technical analysis and provide more detailed projections to support rate setting decisions in the future. The Level 3 traffic and revenue study will look at about three scenarios.

Discussion

A question was raised about whether toll escalation would occur every year. It is anticipated that it would escalate every year, with the opportunity for public comment. A desire was shared for all of the Level 3 traffic and revenue scenarios to include toll escalation. It was asked if the first year of pre-completion tolling would be set to the next inflation-adjusted rate. Brent Baker said that this could be included in a revised hybrid rate in the next analysis. The Subcommittee asked him to build that rate into all the scenarios.

A comment was made noting a desire to include the low-income toll program in all scenarios. For one scenario, the group agreed to include the 50% low-income discount during pre-completion and another scenario that assumed the low-income discount wouldn't start until the new bridge opened.

It was again requested to have one of the Level 3 traffic and revenue scenarios look at higher toll rates to help accommodate any future program cost increases, even if they are unknown at this time.

Upcoming Meetings/Review Work Plan – Carl See

Carl See summarized the milestones the subcommittee completed and noted the upcoming work. The full commissions are anticipated to hold a joint meeting in September or October to endorse the Level 3 Traffic and Revenue Study scenarios, based on the Subcommittee's recommendation. It is anticipated that the final toll rates and policies will be recommended for adoption in summer 2025 ahead of the planned start of toll collection in 2026.

Next Steps – Lee Beyer

Chair Beyer thanked everyone for the engagement and discussion.

Public Comment

There were no public comments.