Tolling Update

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Deputy Secretary

Joint Transportation Committee
October 22, 2015
Partnerships on express toll lanes

• Executive Committee/Executive Advisory Group engagement 2000-2015

• Based on target metrics for congestion relief, the Executive Advisory Group in 2013 selected a 40-mile connected system to move the most people the most efficiently while generating revenue for future improvements

• This selection was endorsed by a national Expert Review Panel
I-405 Master Plan: Multimodal and making progress

- **Add 2 lanes in each direction**: 30% complete
- **Local arterial improvements**: 50% complete
- **Transit station and BRT expansions**: 70% complete
- **Park and Ride expansions**: 80% complete
- **Transit service increase**: 40% complete
- **Direct access ramps**: 45% complete
- **Vanpool service increase**: 30% complete
- **Managed lanes system**: 40% complete
- **Pedestrian/bicycle improvements**: 25% complete
I-405 Express Toll Lanes
Opened September 27

Overview

• Legislature authorized WSDOT to toll I-405 from Bellevue to Lynnwood in 2011
• Dynamic pricing effectively manages volume and increases performance for all lanes in the corridor
• Market-based direct user fee
• Future plans to extend south and create a 40-mile express toll lanes system on I-405 and SR 167

EXPRESS TOLL LANES

<table>
<thead>
<tr>
<th>JCT</th>
<th>$2.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>NE 124th St</td>
<td>$2.15</td>
</tr>
<tr>
<td>NE 6th St</td>
<td>$2.35</td>
</tr>
</tbody>
</table>

HOV 3+ FREE w/ FLEX PASS
Express Toll Lanes are used across the country as part of the solution to urban congestion.
What happened in San Diego on I-15?

Public Support

Eastside Corridor 2009
Pre-Implementation Phone Survey
San Diego I-15

1995 Survey, Pre-Implementation
1997 Survey, Phase 1
2002 Survey, Phase 2

Percent of Overall

Approved
Opposed
Undecided

LEGEND
* Express toll lanes
◆ Half of the United States population live in these counties

Map of United States of America with counties by FreeVectorMaps.com
Principles of Express Toll Lanes

Based on the highest observed 5-minute flow rates (vehicle-per-mile-per-lane) during 2011 and 2013

• The above chart shows how congestion reduces productivity on I-405 today

• During congested periods, productivity is reduced, and less traffic gets through
If demand < capacity, speeds are high and demand equals throughput.

If demand = capacity, speeds are around 45 MPH and throughput is highest.

If demand > capacity, speeds drop, and less traffic gets through overall.

I-95 in Florida with Express Toll Lanes
What We’re Seeing Southbound – Second Week

I-405 Southbound General Purpose Travel Times: Lynnwood to Bellevue - Second Week of ETL versus October Weekdays 2014

I-405 Southbound ETL Travel Times: Lynnwood to Bellevue - Second Week of ETL versus October Weekdays 2014
What We’re Seeing Southbound – Second Week

Average Toll Rates: First & Second Weeks

Volumes: Regular and Express Toll Lanes at Kingsgate (in Kirkland)
What We’re Seeing Northbound – Second Week

I-405 Northbound General Purpose Travel Times: Bellevue to Lynnwood - Second Week of ETL versus October Weekdays 2014

I-405 Northbound ETL Travel Times: Bellevue to Lynnwood - Second Week of ETL versus October Weekdays 2014
What We’re Seeing Northbound – Second Week

Average Toll Rates: First & Second Weeks

Volumes: Regular and Express Toll Lanes at Kingsgate (in Kirkland)

Average Volumes (black line) vs. October 2014 Weekday Baseline (shaded region 10th – 90th Percentile)

General Purpose Lanes
Express Toll Lanes

NB GP Baseline Volumes
NB HOV Baseline Volumes
Traffic Monitoring Plan

• Similar to other tolling projects, WSDOT will collect traffic data before and after the I-405 express toll lanes open

• Traffic performance in ETLs and GP lanes
  – Speeds
  – Travel times
  – Vehicle throughput (vehicles/hour)

• Regional traffic
  – Volumes

• Local arterials
  – Volumes
  – Travel times

• Supplemental areas of monitoring
  – Transit
  – Occupancy
  – Enforcement
  – Safety
What are toll dollars used for?

Two purposes of tolling – revenue generation and congestion management.

As a congestion management tool, a majority of Express Toll Lane revenues go to the cost of collecting the tolls due to the low tolls charged at off-peak, uncongested times.
Projected Toll Collection Costs for **Good To Go!**

<table>
<thead>
<tr>
<th>Cost</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Service Center</td>
<td>$0.20</td>
</tr>
<tr>
<td>State Operations (Allocated)</td>
<td>$0.17</td>
</tr>
<tr>
<td>Roadway Toll Systems O&amp;M</td>
<td>$0.15</td>
</tr>
<tr>
<td>Credit Card Fees</td>
<td>$0.02</td>
</tr>
<tr>
<td>FY 2017 - Good To Go! Transponder</td>
<td>$0.54</td>
</tr>
</tbody>
</table>

In FY 2017, on average, $0.54 of a **Good to Go!** toll paid goes toward toll collection.

Customer Service Center operations and billing systems are provided by ETCC (Richardson, TX). They employ more than 120 people in the greater Seattle area. ETCC’s compensation is independent of traffic or toll rate levels.

Roadway Toll System O&M is provided by Schneider Electric (Rockville, MD). They employ 6 people in the greater Seattle area. Their compensation is independent of traffic or toll rate levels.

State Operations includes WSDOT staff costs, consulting support, and staff related costs such as rent, data/telecom, computers technology, and office supplies.

The $0.54 cost to collect a **Good To Go!** toll excludes the costs of enforcing vehicle occupancy requirements (HOV toll exemption compliance) and uncollected revenue due to HOV violations.

[Graph showing the breakdown of costs]
According to recent surveys, most customers are satisfied. Having an issue or dispute resolved the first time someone calls is the largest service gap between importance to the customer and customer satisfaction.

Overall, how satisfied are you with Good To Go! Customer Service?

Customer Service Survey Results

- Very Satisfied: 32%
- Satisfied: 53%
- Dissatisfied: 8%
- Very Dissatisfied: 7%

Respondents: 2,084 (average)

Satisfied and Very Satisfied: 85%

2 year average
Toll Transactions

122 Million Toll Trips: Dec 2011 - April 2015

- Good To Go Customers 78.0%
- Good To Go Pass 66.9%
- Good To Go Pay By Plate 11.2%
- Toll Booths 9.2%
- Non-Account Customers 11.5%
- Non-Revenue Trips 1.2%
- Readable License Plate 10.5%
- Unreadable License Plate 1.0%
- Pay By Mail 10.5%
- Short Term Account <0.1%
- Vehicle Owner ID'd 8.8%
- In Process 1.1%
- Vehicle Registration Not Found 0.4%
- Dismissals 0.1%
- 1st Bill Paid 4.9%
- Pay By Mail 3.9%
- Notice of Civil Penalty Mailed 2.1%
- Notice of Civil Penalty Unpaid 1.8%
- DOL Registration Hold 0.7%
- Notice of Civil Penalty Paid 0.5%
- No Further Action 0.9%
- Pay By Mail 2nd Bill Paid 1.3%
- In Process 0.3%
- Toll Enforcement Rejection 0.2%
Recent Customer Service Improvements

Customer Service Improvements – CUSTOMER’S PROGRAM FOR RESOLUTION

Key:
- Existing Process
- NEW – Advocate for the Customer
- NEW – Added Customer Service
- NEW – Customer’s Program Resolution

*Mitigating Circumstances to be applied regardless of occurrence:
- Death
- Hospitalization
- Divorce/Separation
- Active Duty Service
- Eviction
- Homelessness
- Failure to Receive Toll Bill
- Processing Error

Day 1:
- Photo toll Transaction
- Toll bill generated
- Customer pays bill
- Second toll bill (toll + $5)
- Customer pays toll bill (toll + $5)

Day 8:
- Advocate for the Customer

Day 10:
- Customer Service Center will notify Customer of Good To Go!
- Customer must bring account into good standing and Penalties are waived.
- Non-account holders: Penalties waived if customer opens a Good To Go!
- Third Request – Customer must pay or tolls will escalate to civil penalty.

Day 111:
- Request to DOL for vehicle registration hold
- Hold applied to vehicle as 120-day renewal notice issued for vehicle registration

Notice of Civil Penalty Issued (NOCIP) ($40 + toll + $5)
- Customer’s Program for Resolution
- Violator pays NOCIP ($40 + toll + $5)

First Request – Fees and Penalties waived
- Second Request – Good To Go! Customer must bring account into good standing and Penalties are waived.
- Non-account holders: Penalties waived if customer opens a Good To Go!
- Third Request – Customer must pay in full or request a hearing by ALJ

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Violator requests hearing with Administrative Law Judge (ALJ)
- ALU dismissed
- ALU upholds and violator pays (penalty, toll, fee)
- ALU upholds and mitigates fee and/or penalty
- ALU upholds and violator appeals
- Appeals to Superior Court
- ALU upholds and violator does not pay

Department of Licensing for hold on vehicle registration
Customer Service Center Procurement

Key Drivers: Critical elements driving decisions associated with toll operations:

- Need to ensure WSDOT business continuity which is dependent upon vendor’s providing the system for customer service and for performing customer service center operations;

- The quality of the customer service provided by the vendor;

- The ability of vendor’s systems and operations plan to grow as new toll facilities are added. Four toll facilities are operational, and four more are to be added by FY 2025 for a forecasted revenue collection of $300 million;

- Term of existing vendor’s contract is June 30, 2016, with an extension option to June 30, 2018;

- The ability to support toll operations through the 2020 decade; and

- Ability to provide single-customer account for multiple transportation modes facilitating choice of travel.
Customer Service Center Procurement

The cornerstone of our evaluations has been WSDOT’s Strategic Goal 6 – Smart Technology: “Improve information system efficiency to users and enhance service delivery by expanding the use of technology.”

Toll Division’s established goals for its customer service center:

- **Goal 1** Back office infrastructure that is sustainable, configurable and scalable throughout the full term of the contract including all potential contract extensions.
- **Goal 2**: An integrated solution that maximizes the use of commercial-off-the-shelf (COTS) products to provide multi-user and multi-tasking capabilities.
- **Goal 3**: Provide data that is transparent, flexible and meets the needs of all users.
- **Goal 4**: Optimize the use of modern adaptive technology to enhance customer service functionality to the benefit of the customer, which is customer driven and incorporates continuous improvement of the customer experience.
- **Goal 5**: Ability to integrate with multimodal systems, e.g. ferries, parking, and transit and be interoperable with other toll agencies.

The Toll Division has sought to answer the following questions:

- What is the best approach for the state in replacing the various customer account systems, namely those utilized by the Toll Division and the Ferries Division?
- Should WSDOT look to the future and prepare for integration into a multi-modal system that could include transit and light rail?
Toll Facilities Revenue and Fees

(Millions)

- SR 16 Tacoma Narrows Bridge
- SR 167 HOT Lanes
- SR 520 Floating Bridge (Pre-Completion)
- SR 520 Floating Bridge (Post-Completion)
- I-405 Express Toll Lanes
- SR 99 Bored Tunnel
- Gateway Project (SR 509 & SR 167 Extension)

10¢ gas tax equivalent

Fiscal Year

Questions?

For more information on tolling in Washington State, please contact:

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(206) 464-1222 or StoneC@wsdot.wa.gov

goodtogo405.org
goodtogotolling@wsdot.wa.gov

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COST TO COLLECT TOLLS

Cost to collect toll per transaction

<table>
<thead>
<tr>
<th>Payment Method</th>
<th>Tacoma Narrows Bridge</th>
<th>SR 520</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good To Go! Pass</td>
<td>$0.30</td>
<td>$0.29</td>
</tr>
<tr>
<td>Pay By Plate</td>
<td>$0.40</td>
<td>$0.37</td>
</tr>
<tr>
<td>Pay By Mail</td>
<td>$1.07</td>
<td>$0.94</td>
</tr>
<tr>
<td>Toll booths</td>
<td>$1.95</td>
<td>N/A</td>
</tr>
<tr>
<td>Weighted average</td>
<td>$0.52</td>
<td>$0.40</td>
</tr>
<tr>
<td>Percent cost per average transaction</td>
<td>12%</td>
<td>13%</td>
</tr>
</tbody>
</table>

Cost per transaction to operate and maintain

- $0.31
- $0.64
- $0.61**
- $0.62
- $0.66
- $1.65
- $2.65

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* Information based on FY 2010 financial statements.
** Includes cost to collect expenses, plus insurance, passes, enforcement and roadway maintenance costs.
COST TO COLLECT TOLLS

An evolution of tolling

A custom report for Washington State Department of Transportation (WSDOT)