



MEMORANDUM

TO: Southwest Washington Regional Transportation Council Board of Directors
FROM: Matt Ransom, Executive Director 
DATE: May 29, 2018
SUBJECT: **Portland Metro Area Value Pricing Feasibility Analysis – Consideration of Input (Action)**

AT A GLANCE

The following memorandum provides a project update and comments for input to the Oregon Department of Transportation’s Portland Metro Area Value Pricing Feasibility Analysis and the Oregon Transportation Commission.

BACKGROUND

The Oregon Department of Transportation is in the process of evaluating regional Value Pricing (*tolling*) Concepts for potential implementation in response to a legislative mandate established in Oregon HB 2017. That mandate compels ODOT to both study options and to file a Value Pricing project application to the Federal Highway Administration (FHWA) by December 31, 2018.

In development of the ODOT study efforts, a regional Policy Advisory Committee (PAC) was convened in January 2018. Among the PAC’s 29 members are three members of the RTC Board, representing the following jurisdictions: Clark County, City of Vancouver, and the Washington Department of Transportation. In addition to PAC representation, RTC staff have been involved in technical review of ODOT study efforts in conjunction with the traffic modeling and stakeholder agency review process.

Informing the RTC Board of the trends in tolling and finance and also the specific ODOT study efforts has resulted in multiple staff briefings from January to May 2018. To date, the RTC Board has been briefed on these various trends and matters at the January, March, April, and May meetings. At the May meeting, the Board reviewed a proposed DRAFT of comments for input to the study PAC and Oregon Transportation Commission.

ODOT STUDY CONCEPT EVALUATION

The Portland Metro Area Value Pricing Feasibility Analysis was initiated by ODOT in late 2017. In addition to procuring technical assistance, the Oregon Transportation Commission (OTC) convened a 29-member Policy Advisory Committee (PAC) to provide input to the OTC. To date, the ODOT study team has produced a body of technical analysis and solicited public input. The PAC has met on five occasions, with one additional meeting planned at the conclusion of their formal process in June.

Considering the policy and technical merits of several different value pricing concepts and soliciting public comments on the varying concepts has been the focus of the current study

phase. As proposed, the current study concludes with a PAC recommendation to the OTC at their June meeting. At the most recent meeting of the PAC (meeting 5), the PAC received a report documenting the concluding findings of the Feasibility Analysis technical work and concurrently received a recommendation for how to proceed from the study consultant. Complete documentation of this technical work can be accessed at the following hyperlink: http://www.oregon.gov/ODOT/Value%20Pricing%20PAC/TechnicalMemo4_Evaluation.pdf

A *synthesis* of the Key Findings and a Consultant Team recommendation have been reported in the [Portland Metro Area Value Pricing Feasibility Analysis – Round 2 Concept Evaluation, Executive Summary \(May 7, 2018\)](#), and are listed below:

ODOT Consultant Team Key Findings and Recommendations:

Key findings

The evaluation of the five round 2 concepts has shown that congestion pricing on I-5 and I-205 has potential benefits to people living and traveling through the Portland metro area and would be effective in addressing traffic congestion on these facilities. Key findings to help support the recommendation are provided on the following pages. Additionally, general findings and considerations include:

- Any concepts considered further should be paired with policies or programs that address potential impact on lower-income and adjacent communities.
- The analysis indicates that all five concepts would likely generate sufficient revenue to pay for tolling operations. However, there is less certainty regarding whether revenue from Concepts A and D (both single-lane concepts) would also cover capital costs of tolling implementation.
- Concepts B, C and E all indicate they would provide revenue to support mitigation and/or planned transportation projects in the Portland metro area.
- A phased approach—implementing a smaller-scale application as a pilot program and following up with monitoring and scheduled reporting—may ensure that the pricing application meets state and regional goals, and may also lay the foundation for a more comprehensive pricing approach for the Portland metro area.
- Key performance measures could be established to gauge success during future monitoring.

Consultant team recommendation

Based on the key findings from the evaluation, the consultant team recommends a phased approach to implementation of congestion pricing on I-5 and I-205:

- Initial implementation of Concept B as a pilot pricing program, coupled with a sunset or trigger to evaluate success.

- *Rationale:* Strong potential at congestion reduction along I-5 with minimal diversion to I-205 and adjacent facilities; has a much denser network of transit and multi-modal facilities that can serve as a toll free alternative; significant improvements in facility efficiency and vehicular throughput, meaning that more vehicles can be moved and diversion to free facilities can be managed.
- Consider implementation of Concept E concurrent with implementation of Concept B.
 - *Rationale:* Provides the benefits of Concept B while generating funding to advance the addition of new lanes on I-205 where only two lanes in each direction currently exist as well as retrofitting and adding a lane in each direction to the Abernethy Bridge.
- After assessment of the performance of the initial pricing project, and assuming successful evaluation, implementation of Concept C in phases with more comprehensive system analysis.
 - *Rationale:* Greatest potential for reducing congestion and generating travel time savings for the widest possible range of users; significant improvements in facility efficiency and vehicular throughput, meaning that more vehicles can be moved and diversion to free facilities can be managed.
- Do not implement Concept A or D.
 - *Rationale:* Little congestion relief benefit; would not provide a reasonable test for the potential for pricing to provide congestion relief.

(NOTE: a Figure illustrating each Concept subject to these recommendations is attached as Attachment 1)

SCHEDULE FOR ODOT PROJECT APPLICATION

The Portland Metro Area Value Pricing Feasibility Analysis PAC will participate in a joint meeting with the Oregon Transportation Commission (OTC) to transmit (provide?) their project recommendations on July 12, 2018. Prior to that meeting, the PAC will meet on June 25 to finalize their recommendations to the OTC.

In describing the forthcoming processes, ODOT has produced an outline for the upcoming process with the OTC through the proposed project application submission to FHWA. The OTC's fall 2018 process has been presented as follows:

Oregon Transportation Commission Fall 2018 Process *(as reported at the May 14 PAC meeting)*

Date	Milestone
July 12	OTC special public comment meeting with PAC recommendation
August	OTC to provide direction on FHWA proposal*
Sept.-Nov.	Proposal writing. Updates posted online/email
Nov. 16	Final OTC review and approval of submission to FHWA*
Dec. 31	Submission due to FHWA

**Tentative; subject to OTC confirmation*

After the ODOT submission to FHWA, there will be several years of further study, technical analysis, policy review, project funding, and written FHWA authorization prior to *any* tolling project implementation. ODOT has prepared an illustrative figure documenting a summary of the typical steps that will need to be taken along the roadmap for developing a project and securing required regulatory approvals. A snapshot of the proposed ODOT *Roadmap*, as it was presented at the May 14 PAC meeting is illustrated in Attachment 2.

RTC INPUT

RTC presented an outline of DRAFT Project Input at the May 1 Board meeting. Following that meeting, staff have collected additional input, reviewed the ODOT study *Round 2* technical memorandum, and attended both the May 14 PAC meeting and May 17 OTC meetings. The culmination of this work is the proposed Input to the Oregon Transportation Commission Value Pricing Application and Project Development Process (Project Input) for submission to the Co-Chairs of the Value Pricing Study Project Advisory Committee and the Oregon Transportation Commission.

Upon endorsement by the RTC Board, the Project Input will be transmitted under a cover letter and presented at the planned July 12 joint meeting of the Oregon Transportation Commission and Policy Advisory Committee.

Southwest Washington Regional Transportation Council (June 5, 2018)

Input to the Oregon Transportation Commission Value Pricing Application and Project Development Process

Partnership and Consultation: Metropolitan area and bi-state planning and project coordination has resulted in many beneficial regional infrastructure improvements over many years. It is expected that continued partnership on projects of mutual bi-state interest will occur and that ODOT will engage in consultation with affected partner agencies. RTC will request consultation as part of future NEPA project evaluation processes in order to assess bi-state and regional transportation system and policy impacts.

Regionally Significant Project Implementation: A regionally significant project improvement plan should be prepared identifying the planned regional and bi-state bottleneck removal and corridor projects (e.g., highway, transit, *other* modal) that will be funded from toll proceeds. Implementation of value pricing should financially support construction of those projects. Most notable among the planned bi-state bottleneck removal projects is replacement of the existing I-5 Columbia River bridges. I-5 corridor value pricing strategies should support (financial or otherwise) a future I-5 Columbia River bridge replacement project, thereby advancing the respective metropolitan area Regional Transportation Plan's project priority and funding plan.

Regional Mitigation: Identify and mitigate at the bi-state level, direct and indirect impacts created by a value pricing project. Mitigation responses should be tied to the corridor of impact and should be proportional. Legislative remedies need to be pursued to enable project mitigation actions in Washington State, in order to fairly address bi-state impacts, or avoidance of non-mitigatable impacts should be pursued. *(For example: a mitigation response to an I-5 value pricing project could be expanding bi-state express bus transit services provided by C-TRAN, thereby providing an alternative and improved regional transit for affected Clark County stakeholders.)*

Regional Systems Monitoring: Regional corridor outcomes and performance metrics should be defined prior to beginning a value pricing pilot project. Through monitoring, propose corridor specific project mitigations and programs to ameliorate social/economic impacts created by a value pricing project. Corridor monitoring and mitigation towards the outcomes should be continuous for the duration of a pilot project.

Decision Making: RTC intends to remain involved in monitoring and providing input into the development and implementation of a value pricing project upon the regional transportation network. Disclosure of future project decision-making milestones and input opportunities should be communicated to regional and bi-state governmental agencies and the public at large.

Future RTC Input Milestones

After the July 12 joint meeting of the Project Advisory Committee and the OTC, it is assumed that RTC will continue to monitor this proposal and weigh in with additional comments at important milestones. Those milestones are generally outlined as follows:

Milestone	Schedule
Feasibility Analysis	<i>Recommended by</i> - no later than July 12 Oregon Transportation Commission meeting.
Concept Submission to FHWA	<i>TBD</i> – Assumed Fall 2018 and no later than December 2018.
Project Review under NEPA	<i>TBD</i>

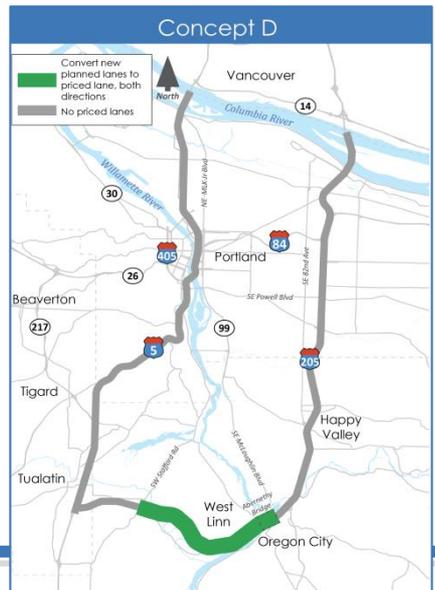
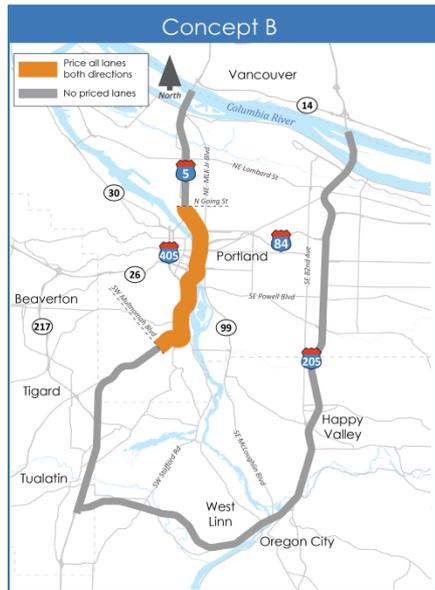
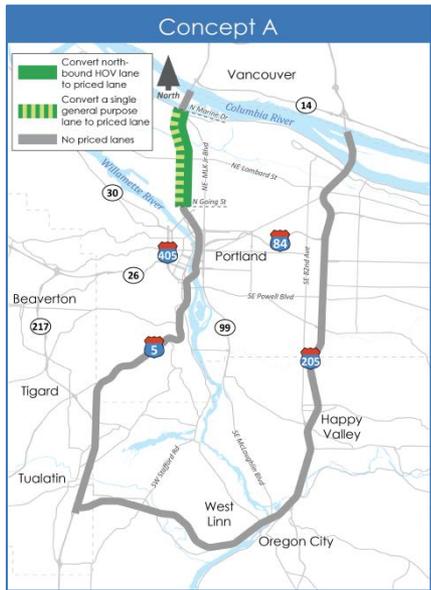
ACTION REQUESTED

Staff recommends endorsement and transmittal of the Input to the Oregon Transportation Commission Value Pricing Application and Project Development Process for their consideration during their project development process. Further, RTC staff should actively monitor and engage with the Oregon Transportation Commission and ODOT as further value pricing project scoping, applications, and NEPA related technical and evaluation studies and proposals are prepared.

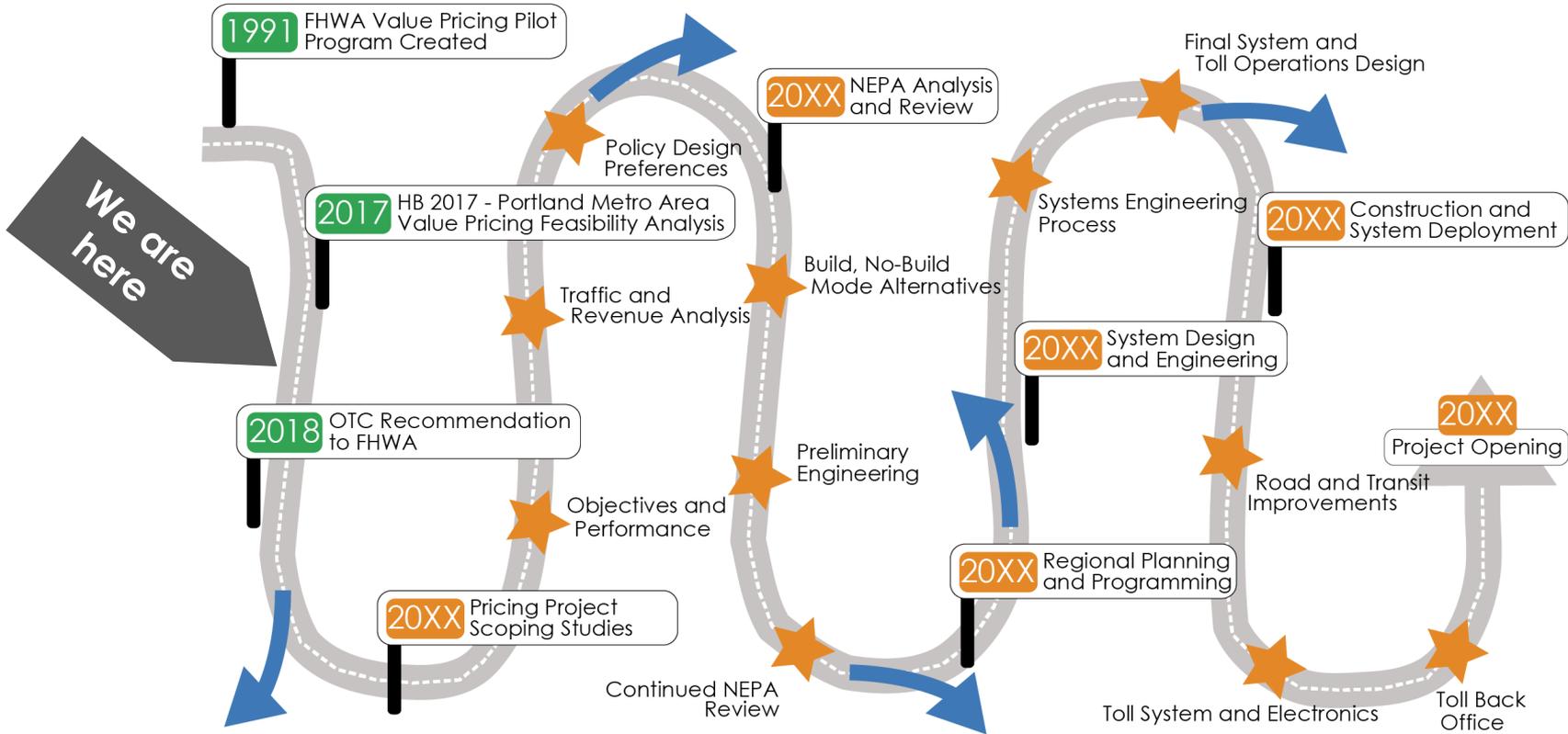
Attachment 1: Concept Figure

Attachment 2: Roadmap of *Project Development Process*

Round 2 evaluation approach



Roadmap



Legend

- "Off-ramps" from implementing pricing
- Start of major project phase
- Project milestones

